



# SOUTH JERSEY ECONOMIC DEVELOPMENT DISTRICT



## Comprehensive Economic Development Strategy

*March 2023*

### EXECUTIVE SUMMARY





# **SOUTH JERSEY ECONOMIC DEVELOPMENT DISTRICT**

## **BOARD OF DIRECTORS**

### **ATLANTIC COUNTY**

- Commissioner John Risley, *Chairman*
- Max Slusher

### **CAPE MAY COUNTY**

- Commissioner Will Morey, *Vice Chairman*
- Leslie Gimeno

### **CUMBERLAND COUNTY**

- Commissioner Douglas Albrecht, *Treasurer*
- Sandra Forosisky
- Anthony Stanzione
- Jerry Velazquez

### **SALEM COUNTY**

- Commissioner Edward Ramsay, *Secretary*
- M. Jay Einstein
- Carey Italiano
- Frederick Young

## **OTHER OFFICES**

### **CUMBERLAND/SALEM/CAPE MAY WORKFORCE DEVELOPMENT BOARD**

- Christy DiLeonardo

### **ATLANTIC COUNTY WORKFORCE DEVELOPMENT BOARD**

- Francis Kuhn

### **STAFF**

- Louis C. Joyce PP, AICP, *Executive Director*

### **CFO**

- Francine B. Springer

### **SOLICITOR**

- John Carr, Esq.



## INTRODUCTION

The South Jersey Economic Development District encompasses a four-county region of southern New Jersey, including the counties of Atlantic, Cape May, Cumberland, and Salem. The District was established in the early 1980s with the mission to encourage economic development and redevelopment in one of the most economically distressed regions of the State.

The Board of the South Jersey Economic Development District prepared and adopted the FY 2015-2020 Comprehensive Economic Development Strategy (CEDS), establishing a framework for economic development and regional collaboration over those five years. That document was significantly updated in 2020 to reflect the District's vision into 2025. Considering the significant developments to the region's economy, altering the District's strategic approach to its economic development goals and objectives, this new version of the CEDS has been developed to address those changes.

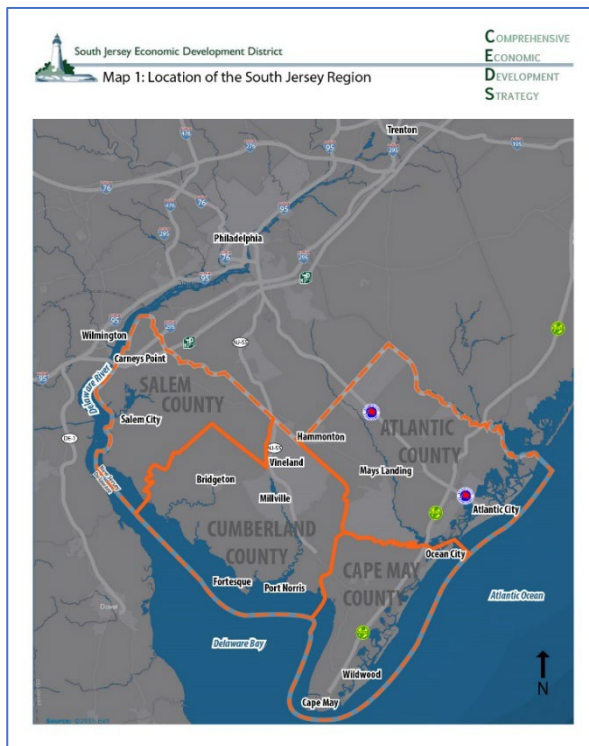
This current update to the 2020-2025 CEDS reflects the vision of the District, its constituent municipalities and counties, and is used by those members as a vehicle through which project priorities, economic development, and redevelopment initiatives may be identified and funded. This CEDS is consistent with the U.S. Economic Development Administration (EDA), which requires an EDA-funded project to be compatible with the CEDS. The USED A *CEDS Content Guidelines* defines the CEDS as follows:

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*"Simply put, a CEDS is a strategy-driven plan for regional economic development. A CEDS is the result of a regionally-owned planning process designed to build capacity and guide the economic prosperity and resiliency of an area or region. It is a key component in establishing and maintaining a robust economic ecosystem by helping to build regional capacity (through hard and soft infrastructure) that contributes to individual, firm, and community success. The CEDS provides a vehicle for individuals, organizations, local governments, institutes of learning, and private industry to engage in a meaningful conversation and debate about what capacity building efforts would best serve economic development in the region."*

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This CEDS brings together economic development leadership, political constituents, community officials, the general public, and other stakeholders in an effort to take a close look at the SJEDD region today. It



complements the work done previously in the 2015-2020 CEDS and its 2017 update, but it also examines those changes that have occurred or are underway in the region today that may warrant a shift in policy or priorities. Specifically, this document addresses the following issues:

1. The economic and demographic characteristics of the region. The CEDS reflects the significant changes that have occurred since the previous update of the CEDS;
2. The implications of economic and demographic changes. The document presents an assessment of policy implications for the District and region, including new or revised goals and objectives.
3. The CEDS reviews economic development plans and project priorities in each of the counties and the major development accomplishments of its member counties over the previous five-year period;
4. The CEDS defines policy adjustments to reflect a greater emphasis on economic resiliency, implications from the COVID-19 crisis, and other issues that affect the ability of the region to foster a diverse and healthy regional economy;
5. Community and stakeholder outreach is integral to the CEDS. The District has engaged the regional community and its stakeholders in the planning process so that the CEDS is a broad-based document, inclusive of multiple perspectives, interests, and points of view. This challenge was particularly difficult in light of the pandemic facing the region.
6. The CEDS ensures compliance with the direction provided by the U.S. EDA in the preparation and development of the document; and finally
7. It presents a Strategic Action Agenda as well as a revised inventory of project priorities and regional economic development initiatives which the District supports and that can enhance the job and development opportunities of the South Jersey region.



This document is broken into five sections. Section One examines any significant changes that have occurred in the economic and demographic characteristics of the region over the past five years. It explores new economic opportunities that have arisen as well as new challenges that may be on the horizon. Section Two provides an overview of the COVID-19 crisis and the potential impacts that the pandemic will have on the future of the South Jersey economy. Section Three follows with a presentation of a regional SWOT Analysis which assesses the challenges and opportunities facing the South Jersey region today. Section Four then evaluates the SWOT with the on-the-ground assets of the region and the issue of economic

resiliency, in order to modify the regional economic development vision, goals, and objectives. Section Five provides a plan summary and detailed Action Agenda for the South Jersey District along with a summary of the public outreach that was conducted with both the counties and regional stakeholders that led to the development of the Action Agenda.

The CEDS is a living document. It can be changed and modified by the Board of the South Jersey Economic Development District to reflect the needs and changes in the region and to address new challenges and opportunities as they may emerge. Recently, the region has been hard hit with the fallout from the COVID-19 pandemic. Emerging from the economic impacts of this challenge, the regional leadership and its economic development partners must find ways to identify investments in innovation that will complement traditional approaches to expanding the economy, creating new jobs while retaining existing jobs, and developing new industry to sustain growth and promote a more resilient regional economy. These will be the primary goals of this CEDS.

## EXECUTIVE SUMMARY

Since the prior CEDS was submitted, there have been a number of changes in the region. The composition of the regional population continues to be in flux, with the White population decreasing by approximately 10% over the past five years while the numbers of Some Other Race have doubled. In addition, the percentage of those claiming Latino or Hispanic origin continues to rise, with an average annual growth of 4.37%. When compared to the rest of the State of New Jersey – one of the most well-educated states in the union – the four-county region experiences a much lower rate of educational attainment; however, some of the major employment sectors within the region do not require a college degree.

The impacts of the global COVID pandemic have been mitigated, with cases statewide falling to among their lowest point in the past year (NYTimes, October 2022). The local and regional economies have bounced back. Tourism has rebounded to pre-pandemic levels. Regional and national unemployment rates have fallen in most communities to pre-pandemic levels. All of these trends point to an improving job and investment market in southern New Jersey. However, the rate of inflation has accelerated. Interest rates are on the rise. These trends, which fluctuate regularly, point to the need for constant monitoring in order to allow counties and regional officials to respond to anticipated impacts and promote resilience and economic sustainability throughout the region.

The COVID-19 crisis in particular, posed both short- and long-term challenges for the region and its economy. While the pandemic and its most significant impacts have lessened, we have all learned over the past two years that nothing concerning COVID-19 is predictable.

While some of the challenges and threats facing the South Jersey economy from competition for labor, industry, and tourism dollars are similar to those of other regions, there are distinct differences. Climate change poses potential dangers to the shore economies and the long-term viability of coastal businesses and communities. Educational and skill levels of the region's workforce continue to lag behind those of the State. Critical infrastructure deficits, particularly in the areas of broadband, public sewer and water, and transportation services restrict development in many areas of the region. The cost of living, which historically has been one of the region's assets, is becoming more costly especially for many low- and moderate-income residents. In addition, the COVID pandemic seriously impacted the pace of business development and labor force expansion and remains a potential threat.

Two of the most critical challenges facing the region are a lack of transportation infrastructure and a lack of affordable workforce housing. As the population of the region grows and the economy expands, addressing these challenges will be a priority of the District and its member counties.

But the region also possesses a number of strengths and assets that can be the foundation for growth and economic sustainability. Investment in clean energy is being led by the development of the new Wind Port in Salem County and the Ørsted wind farm just off the Atlantic City shore. New investments in the aviation and aeronautic industries are being made in Atlantic and Cape May Counties. The National Aerospace Research & Technology Park in Atlantic County and smaller technology investments specializing in food processing, innovative manufacturing and other business venues are occurring throughout the region. Cumberland County's new food specialization center and new food businesses are helping to drive new investment in that community. Southern New Jersey is the last place in the State where large tracts of land remain available for development. It is well-positioned and accessible to the greater national markets. It provides an excellent natural environment and an array of investment choices ranging from urban and suburban to rural, small town, and village life.

These strengths provide opportunities for new growth and development. They are the basis for building a new economy or repositioning areas of the region for new types of investment. The CEDS provides strategies for building on these strengths as well as mitigating the challenges faced by the stakeholders in this four-county region.

Strengths	Weaknesses
A strong tourism and recreational economy	Infrastructure needs
A low cost of doing business	Lack of workforce and public transit
Affordable cost of living	Inadequate 21 <sup>st</sup> century workforce skills
Favorable regional location	Challenging regulatory environment
Unique historic, cultural, and natural assets	Seasonal industry base
Emergence of new industry clusters	Shortage of Workforce housing
Clean energy production	
Strong job training and educational partnerships	
Special development designations	
Opportunities	Threats
Repositioning and envisioning	Changing demographics
Revitalized rail/port infrastructure	Sea level rise
Burgeoning domestic travel market	Available but diminishing industrial land base
Potential for transit expansion	Regional competition
Historic and cultural assets	Globalized marketplace
Television and Film Industry	Ongoing population loss and housing affordability
Educational Assets	Workforce outmigration
	Ongoing impact of COVID-19 pandemic

## MAP OF INDUSTRY CLUSTERS

Below, you will find a map of the region's major industries: Aviation, Manufacturing, Hospitality, and Technology. This map aggregates these industries by the number of employees per ZIP code: the larger the circle, the more employees in that ZIP code.

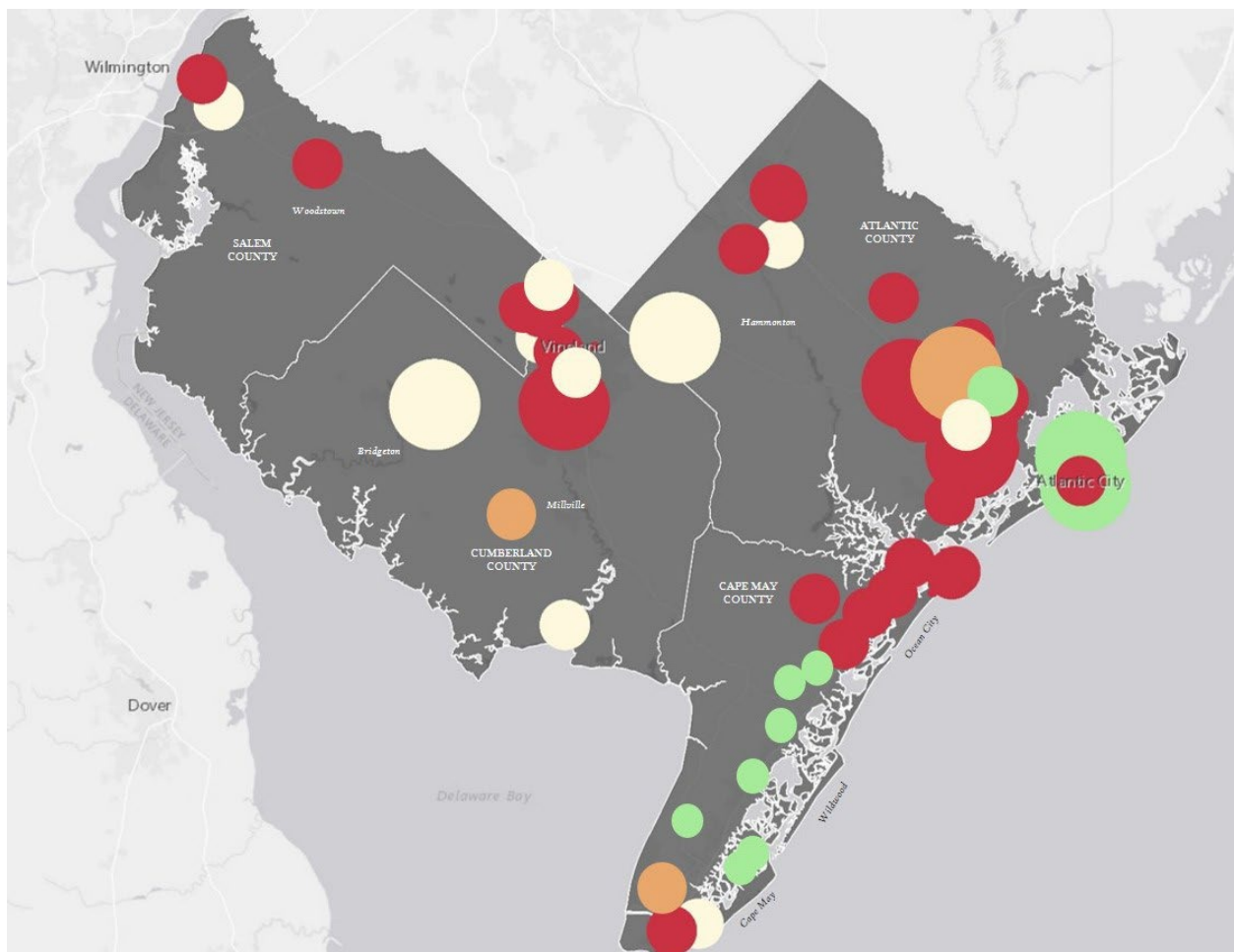
The orange circles are Aviation. These circles are inclusive of airports, commercial and cargo aviation, medical aviation, and various support businesses.

The tan circles represent Manufacturing. These circles are inclusive of all types of manufacturing entities, from breweries to the food processing facilities prevalent throughout the region.

The green circles are Recreation, Hospitality, and Entertainment. These circles represent entertainment facilities such as tourist attractions, night clubs, live and movie theaters, amusement and theme parks, art galleries, campgrounds, casinos, golf courses, health clubs, museums, parks, recreation centers, skating rinks, public swimming pools, tennis courts, water parks, bed and breakfasts, historical places, hotels and motels, inns, RV parks, and travel agencies and bureaus.

The red circles are Technology. These circles include cellular telephone services, computer and equipment dealers, computer software firms, electronic equipment retail, home theater systems, and video gaming. It should be noted that these statistics also include retailers of technology.

*Major Industry Clusters in the South Jersey Region*



Source: Esri, 2022

This document is a comprehensive overview of the four-county southern New Jersey economy. The sections that follow provide considerable background, data, and other information that provide a picture of existing conditions and trends; strengths and challenges; and regional and county priorities.



The bulleted summary below represents an inventory of near-term actions that are priorities of this CEDS. Following this listing, Section 1 begins a much more detailed presentation of the CEDS and its role in the region's growth and development.

#### WORKER COMMUTATION STATISTICS

The statistics below explain the movement of workers in and out of the four counties in the SJEDD region. Please note, as these numbers come from different sources, the population and number of jobs in each county may differ slightly from other parts of this document.

Table 1  
Atlantic County

	Count	Share
Employed within Atlantic County	107,148	100.0%
Employed within Atlantic County but Living Outside the County	38,080	35.5%
Employed and Living within the County	69,068	64.5%
Living in Atlantic County	110,599	100.0%
Living in the County but Employed Outside the County	41,531	37.6%
Living and Employed in the County	69,068	62.4%
Net Outflow	-3,451	-

Source: New Jersey State Data Center

Table 2  
Cape May County

	Count	Share
Employed within Cape May County	29,477	100.0%
Employed within Cape May County but Living Outside the County	10,475	35.5%
Employed and Living within the County	19,002	64.5%
Living in Cape May County	35,145	100.0%
Living in the County but Employed Outside the County	16,143	45.9%
Living and Employed in the County	19,002	54.1%
Net Outflow	-5,668	-

Source: New Jersey State Data Center

Table 3  
Cumberland County

	Count	Share
Employed within Cumberland County	52,661	100.0%
Employed within Cumberland County but Living Outside the County	23,041	43.8%
Employed and Living within the County	29,620	56.2%
Living in Cumberland County	57,809	100.0%
Living in the County but Employed Outside the County	28,189	48.8%
Living and Employed in the County	29,620	51.2%
Net Outflow	-5,148	-

Source: New Jersey State Data Center



Table 4  
Salem County

	Count	Share
Employed within Salem County	19,752	100.0%
Employed within Salem County but Living Outside the County	11,942	60.5%
Employed and Living within the County	7,810	39.5%
Living in Salem County	30,920	100.0%
Living in the County but Employed Outside the County	23,110	74.7%
Living and Employed in the County	7,810	25.3%
Net Outflow	-11,168	-

Source: New Jersey State Data Center

## SUMMARY OF NEXT STEPS

### NEAR-TERM REGIONAL PRIORITIES

- Advance one new project per quarter to the U.S. EDA for funding
- Create and maintain an inventory of existing and available industrial sites
- Facilitate a regional infrastructure needs study
- Identify funding sources for a Workforce Housing Study of the four-county region
- Work with the region's stakeholders to implement new workforce housing opportunities
- Address food deserts
- Promote a green economy and clean energy business environment
- Collaborate with the South Jersey Transportation Planning Organization and the region's stakeholders on highway and transit projects
- Market opportunities for Rail, Port, and Industrial Park investment in the region
- Continue to support investment in a statewide air cargo masterplan
- Create and maintain an inventory of the region's existing and available industrial sites
- Promote collaboration for workforce development
- Identify funding for boardwalk and tourism development
- Create a South Jersey District Data Dashboard

### MID-TERM REGIONAL PRIORITIES

- Advance project development
- Secure grant funding to invest in infrastructure needs
- Foster ecotourism and cultural tourism partnerships
- Advocate for enhanced Federal funding to the region

### LONG-TERM REGIONAL PRIORITIES

- Broadband infrastructure investment
- Develop ecotourism and cultural facility
- Spearhead a sea-level rise infrastructure study
- Invest in logistics and transportation

### ATLANTIC COUNTY NEAR-TERM PRIORITIES

- Implement Airport Capital Plan to include infrastructure and air cargo improvements at Atlantic City International

- Expand National Aerospace Research and Technology Park
- Promote ongoing investment in aerospace and avionics
- Advance the life sciences industry
- Continue to support the growth and diversification of the County's tourism industry
- Expand access to health care and the development of new health services
- Expand Atlantic County Institute of Technology in Mays Landing

#### *CAPE MAY COUNTY NEAR-TERM PRIORITIES*

- Work to diversify local economy to expand opportunities beyond tourism
- Promote infrastructure investment and marketing, particularly broadband access
- Encourage the expansion of eco- and agri-tourism business opportunities
- Encourage research and development of smart hospitality technology
- Find creative solutions that provide for a variety of housing types

#### *CUMBERLAND COUNTY NEAR-TERM PRIORITIES*

- Expand existing food and food processing cluster
- Promote clean energy jobs
- Invest in and provide competitive economic infrastructure
- Invest in targeted neighborhood, downtown, and community revitalization
- Identify areas of the County as Innovation Hubs
- Promote measurable investments in new business, redevelopment and recovery
- Create stronger workforce development partnerships
- Expand industrial parks and invest in brownfield redevelopment

#### *SALEM COUNTY NEAR-TERM PRIORITIES*

- Encourage investment in spin-off industries and related businesses that enhance growth and development of the New Jersey Wind Port
- Support initiatives to help fund dredging and the revitalization of the Salem Port
- Work to recruit new business and industry
- Revitalize downtown business districts
- Develop ways to support small business and promote business retention
- Enhance the County's marketing efforts
- Secure funding and financial support for the County's businesses and industries
- Continue to invest in the Implementation of the Salem County Economic Development Strategy

#### *REGIONAL AND INTERCOUNTY INITIATIVES AND NEAR-TERM PRIORITIES*

- Create and maintain an inventory of existing industrial sites throughout the region
- Advance projects that promote economic development to the US EDA for funding
- Facilitate a regional infrastructure needs study
- Identify funding sources for a workforce housing study
- Work with the region's stakeholders to implement new workforce housing opportunities
- Address food deserts
- Promote a Green Economy and Clean Energy Business Environment

- Collaborate with the South Jersey Transportation Planning Organization and stakeholders on highway and transit projects
- Market opportunities for rail, port, and industrial park investment
- Continue to support investment in a statewide Air Cargo Master Plan
- Promote collaboration for workforce development
- Identify funding for boardwalk maintenance, tourism development, and shore-related infrastructure
- Create a South Jersey District Data Dashboard

#### *REGIONAL MID-TERM ACTIONS AND PRIORITIES (YEARS 3-5)*

- Advance Project Development
- Secure grant funding to assist in infrastructure needs
- Foster ecotourism, agritourism, and cultural tourism partnerships
- Advocate for enhanced federal funding for the region

#### *REGIONAL LONG-TERM ACTIONS AND PRIORITIES (BEYOND THE 2027 LIFE OF THE CEDS)*

- Broadband investment
- Ecotourism, agritourism, and cultural facility development
- Sea-level rise infrastructure study
- Logistics and transportation investments
- Rail freight investments
- Port development
- Air freight development
- Transloading investments

#### *ENSURING THE ECONOMIC AND CULTURAL RESILIENCY AND SUSTAINABILITY OF THE SOUTH JERSEY REGION*

##### *Governmental Policy*

- Promoting effective land use and regulatory policies
- Fostering an aggressive state-based approach to redevelopment
- Ongoing WDB engagement
- Regional transportation investment
- Helping to coordinate and fund quality-of-life initiatives

##### *Environmental Policy*

- Mitigating the effect of sea-level rise
- Promote wetlands protection
- Target funding for beach replenishment and storm surge barriers
- Pumping and flood mitigation measures
- Promote natural resource protection
- Advance brownfield clean-up and redevelopment

##### *Economic Policy*

- Marketing approach
- Grant funding

- Website expansion and development
- Business retention
- Business development and industrial expansion
- Targeted industry expansion
- Tourism and shore town investment
- Brownfield and old industrial site redevelopment
- Infrastructure investments
- Rail development or conversion to tourism-based attractions
- Road infrastructure development
- Broadband and internet investment
- Sewer and water expansion
- Diversification of regional economy





# WORKER COMMUTATION REPORTS





# Local Employment Dynamics *OnTheMap*

## Worker Inflow/Outflow Report

### Atlantic County

NEW JERSEY STATE DATA CENTER

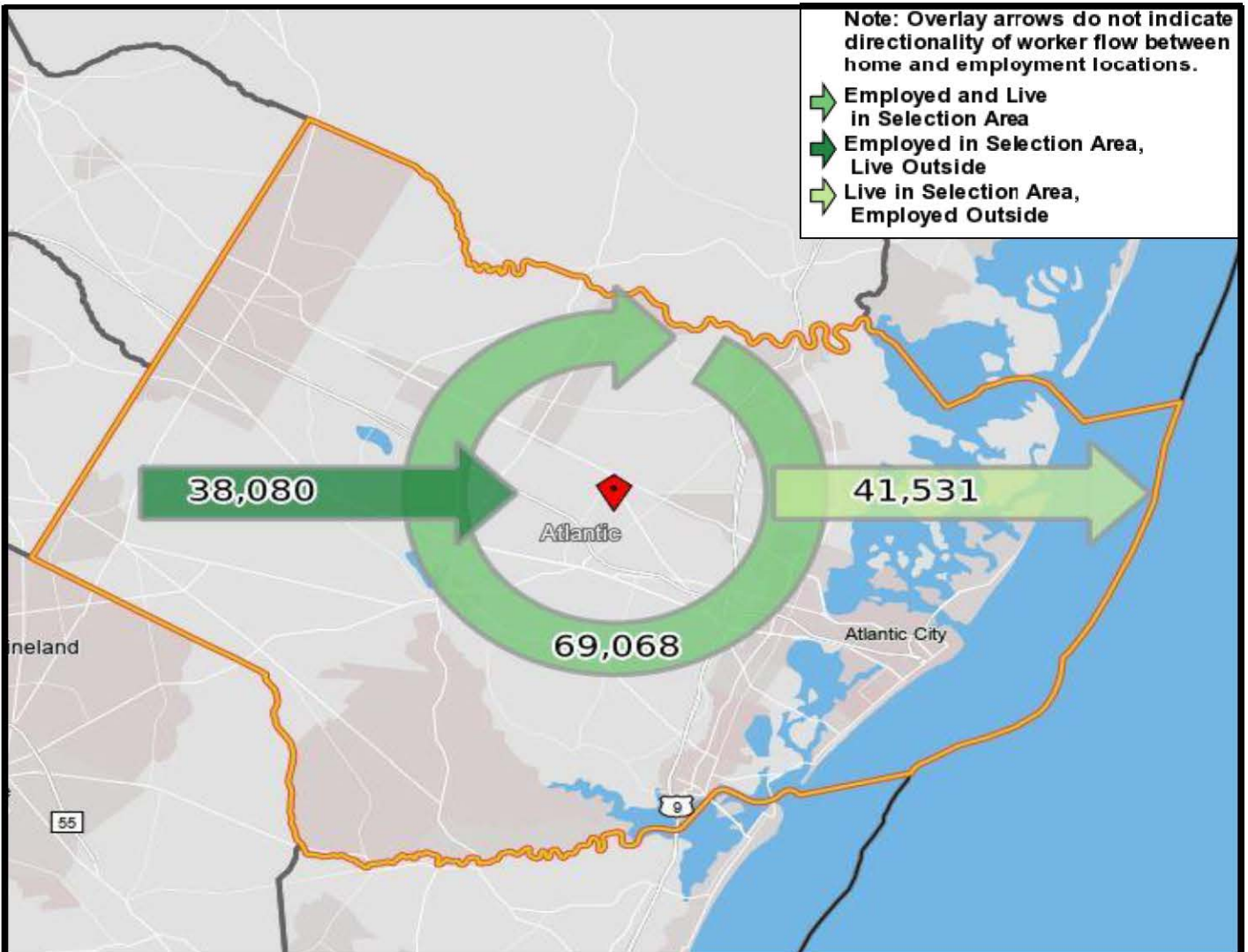
**NJSDC**

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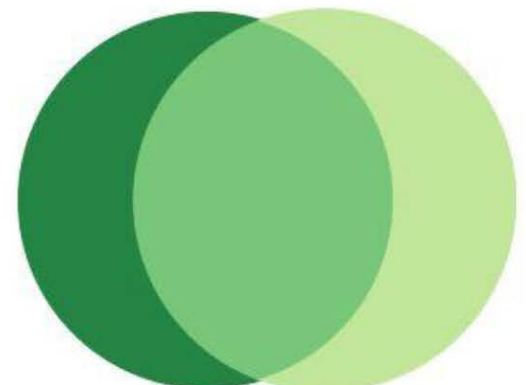
Note: Overlay arrows do not indicate directionality of worker flow between home and employment locations.

- ➡ Employed and Live in Selection Area
- ➡ Employed in Selection Area, Live Outside
- ➡ Live in Selection Area, Employed Outside



Inflow/Outflow Job Counts in 2017		Atlantic County	
Primary Jobs		Count	Share
Employed in the Selection Area		107,148	100.0%
Employed in the Selection Area but Living Outside		38,080	35.5%
Employed and Living in the Selection Area		69,068	64.5%
Living in the Selection Area		110,599	100.00%
Living in the Selection Area but Employed Outside		41,531	37.60%
Living and Employed in the Selection Area		69,068	62.40%
Net Job Inflow (+) or Outflow (-)		-3,451	

Inflow/Outflow Job Counts in 2017



- 38,080 - Employed in Selection Area, Live Outside
- 41,531 - Live in Selection Area, Employed Outside
- 69,068 - Employed and Live in Selection Area

Source: US Census Bureau Local Employment Dynamics

# Local Employment Dynamics *OnTheMap*

## Worker Inflow/Outflow Report

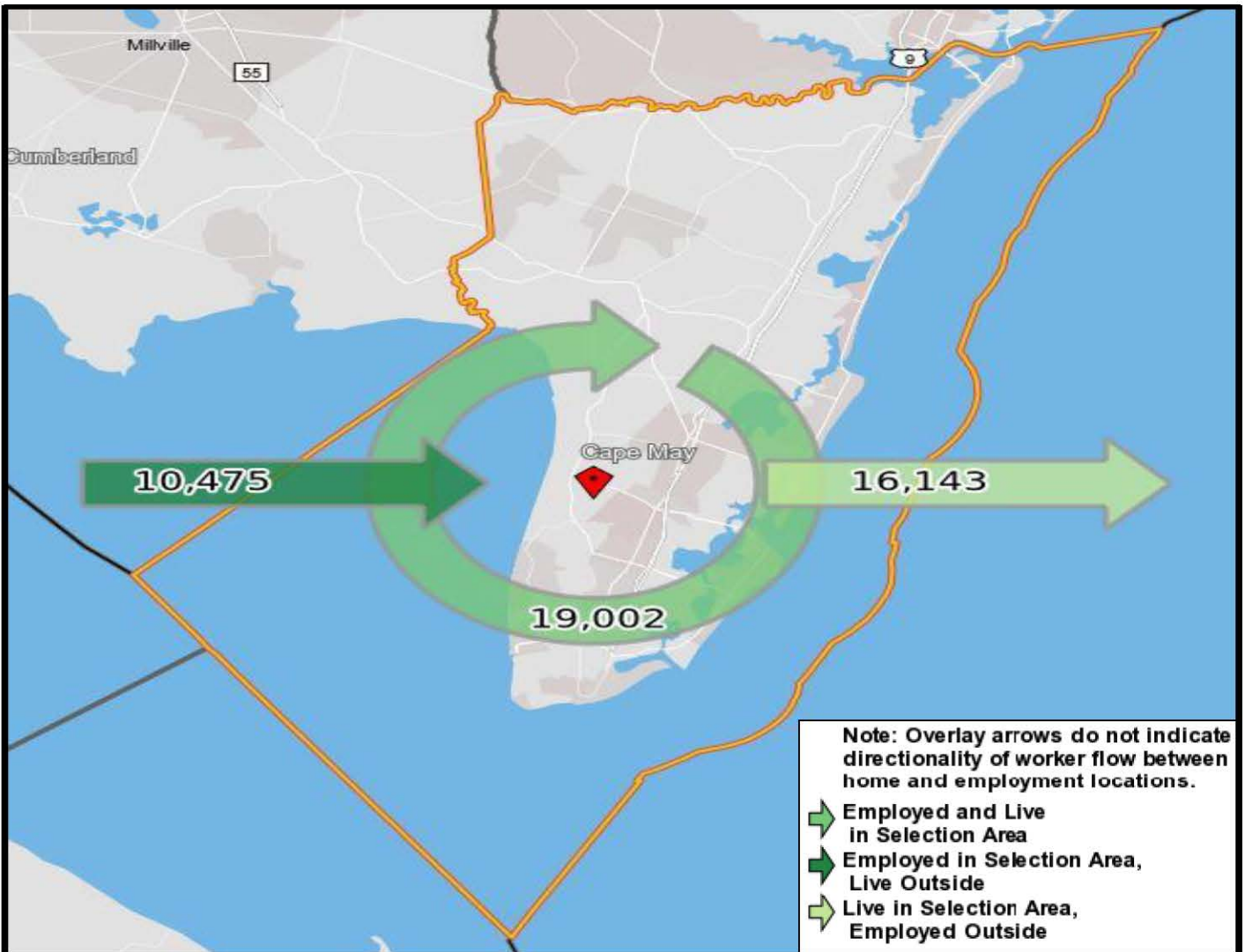
### Cape May County

NEW JERSEY STATE DATA CENTER

**NJSDC**

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Census  
Bureau



Inflow/Outflow Job Counts in 2017 Primary Jobs	Cape May County	
	Count	Share
Employed in the Selection Area	29,477	100.0%
Employed in the Selection Area but Living Outside	10,475	35.5%
Employed and Living in the Selection Area	19,002	64.5%
Living in the Selection Area	35,145	100.00%
Living in the Selection Area but Employed Outside	16,143	45.90%
Living and Employed in the Selection Area	19,002	54.10%
Net Job Inflow (+) or Outflow (-)	-5,668	

Inflow/Outflow Job Counts in 2017



Source: US Census Bureau Local Employment Dynamics



# Local Employment Dynamics *OnTheMap*

## Worker Inflow/Outflow Report

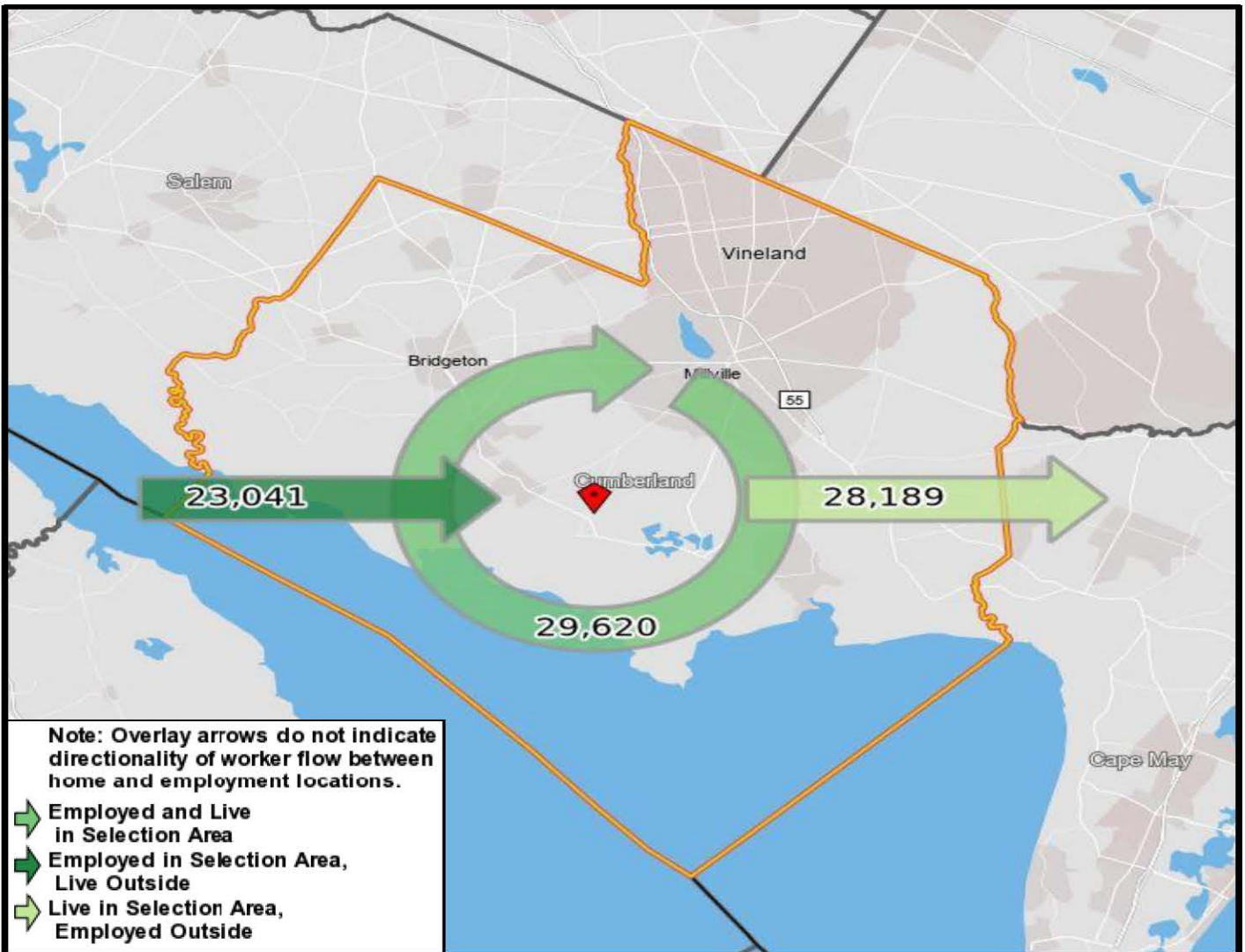
### Cumberland County

NEW JERSEY STATE DATA CENTER

**NJSDC**

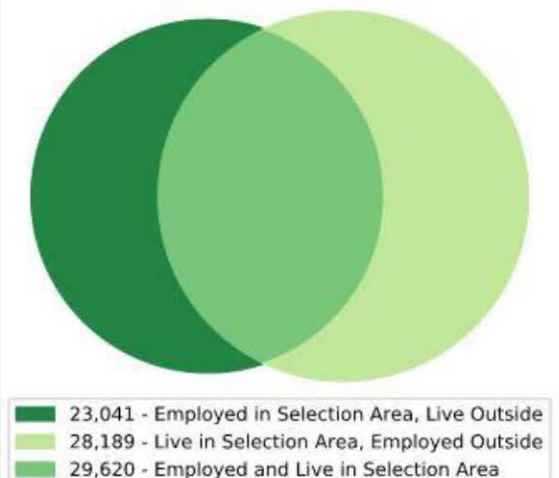
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Census Bureau



Inflow/Outflow Job Counts in 2017		Cumberland County	
Primary Jobs		Count	Share
Employed in the Selection Area		52,661	100.0%
Employed in the Selection Area but Living Outside		23,041	43.8%
Employed and Living in the Selection Area		29,620	56.2%
Living in the Selection Area		57,809	100.00%
Living in the Selection Area but Employed Outside		28,189	48.80%
Living and Employed in the Selection Area		29,620	51.20%
Net Job Inflow (+) or Outflow (-)		-5,148	

Inflow/Outflow Job Counts in 2017



Source: US Census Bureau Local Employment Dynamics



# Local Employment Dynamics *OnTheMap*

## Worker Inflow/Outflow Report

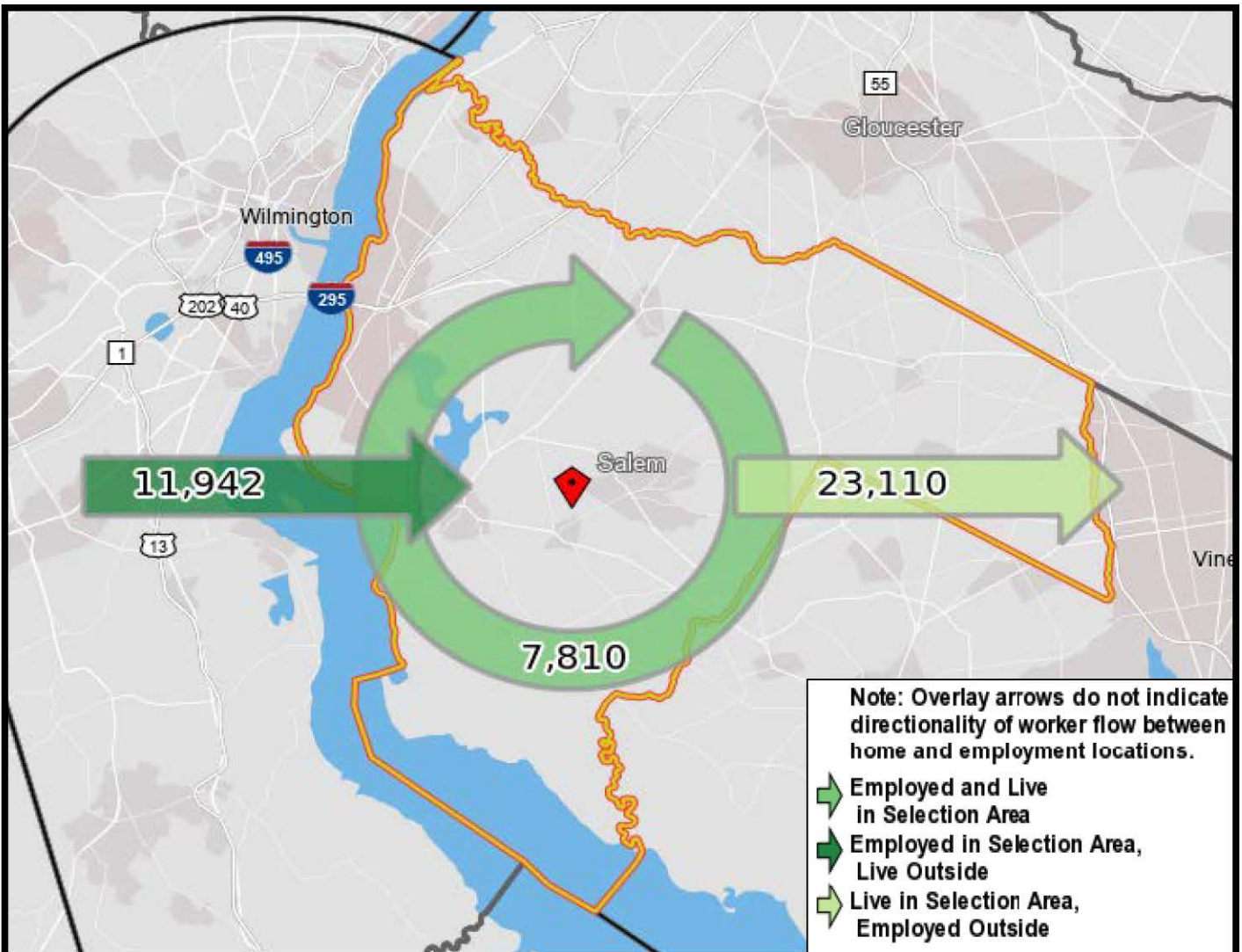
### Salem County

NEW JERSEY STATE DATA CENTER

**NJSDC**

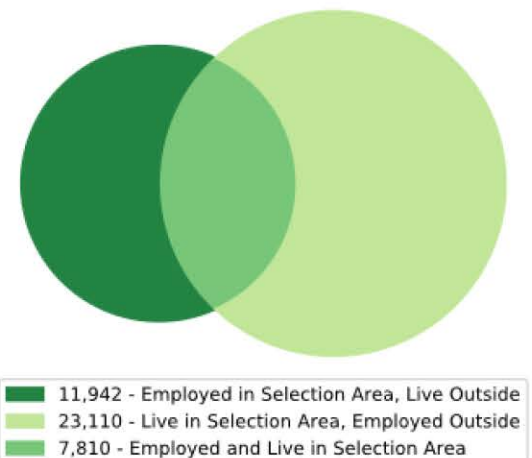
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Bureau



Inflow/Outflow Job Counts in 2017	Salem County	
	Count	Share
Primary Jobs		
Employed in the Selection Area	19,752	100.0%
Employed in the Selection Area but Living Outside	11,942	60.5%
Employed and Living in the Selection Area	7,810	39.5%
Living in the Selection Area	30,920	100.00%
Living in the Selection Area but Employed Outside	23,110	74.70%
Living and Employed in the Selection Area	7,810	25.30%
Net Job Inflow (+) or Outflow (-)	-11,168	-

Inflow/Outflow Job Counts in 2017



Source: US Census Bureau Local Employment Dynamics



# **SOUTH JERSEY ECONOMIC DEVELOPMENT DISTRICT**



## **Comprehensive Economic Development Strategy EXECUTIVE SUMMARY**

*Facilitated by*



*March 2023*