



South Jersey Economic Development District

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY



**FY 2015 CEDS ANNUAL UPDATE
March 1, 2016**

Inclusive of
Atlantic, Cape May,
Cumberland and Salem Counties
in Southern New Jersey

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SOUTH JERSEY ECONOMIC DEVELOPMENT DISTRICT COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

FY 2015 ANNUAL UPDATE

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**SJEDD CEDS
FY 2015 UPDATE**

**TAB 1
CEDS NARRATIVE**



SOUTH JERSEY ECONOMIC DEVELOPMENT DISTRICT
COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY
FY 2015 Annual Update

Section 1

INTRODUCTION AND BACKGROUND

INTRODUCTION

Established in the early 1980s, the South Jersey Economic Development District encompasses Atlantic, Cape May, Cumberland and Salem Counties. Its mission is to encourage economic development and redevelopment in one of the most economically distressed regions of New Jersey.

The Board of the South Jersey District initiated the preparation of this FY 2015 CEDS Annual Update for a number of important reasons, principally related to the evolving economic and demographic characteristics of the region; a need to revisit stakeholder and community priorities; and a desire to identify some new development priorities for the area. This update provides the framework for moving a regional economic development agenda forward and targeting the regional initiatives that will bring greater prosperity to southern New Jersey. The District envisions a completely revised and updated CEDS to be produced by the end of 2016.

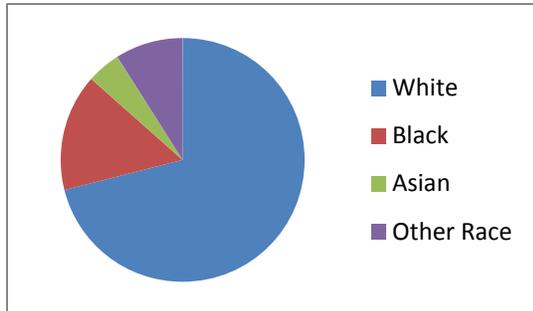
Overview of the Document

This FY 2015 Update of the Comprehensive Economic Development Strategy is broken into five sections. This first section examines the economic and demographic characteristics of the region today. It explores those aspects of population, geography, and development that impact economic growth. It also examines the strengths, weaknesses, opportunities and threats (SWOT Analysis) that exist throughout the region, both internal and external, that may affect the future growth and development of the South Jersey economy.

Section 2 provides an overview of the region's Strengths, Weaknesses, Opportunities and Threats. This SWOT analysis begins to establish a policy framework for regional economic growth. From the various factors identified, Section 3 outlines key goals and strategies that were part of the 2014 CEDS Update and an outreach effort that involved each of the four member counties. Section 4 provides an Implementation and Evaluation Framework for the CEDS; and the fifth and final section of the CEDS establishes a methodology for ensuring the ongoing resilience of the region based on process by which the District can measure success. It provides guidance on funding opportunities, partnerships, and other implementation measures to promote the vision of the document.

DEMOGRAPHIC AND ECONOMIC OVERVIEW

The South Jersey Region has a 2015 population estimated at 597,425 a slight increase of 2,630 residents from the 2010 census count of 594,795 persons. The region's population is



predominantly white, (68.6%); with African Americans, Asian Americans and individuals of other races comprising 31.4% of the population. Hispanics, of any race, represent 19.1% of area residents, although that number is increasing substantially. The U.S. Census, *American Factfinder*, indicates that this figure has grown by more than 10,000 residents – well above the overall rate of regional population increase.¹

Economically, Southern New Jersey has begun to emerge from the effects of the worst economic recession in 80 years. Unemployment rates have declined and business activity has increased. Labor force participation rates – the numbers of individuals who are deemed part of the resident workforce – have not recovered to pre-recession levels, however, and this fact reflects conditions nationally and elsewhere across the region. Map 1 illustrates the location of the South Jersey Region relative to the greater Philadelphia Area.

In addition to the general economic conditions, the region was hard hit by Superstorm Sandy in 2012. While not close to being as severe as the damage done in northern parts of the State, the impacts of Superstorm Sandy have also hampered development and redevelopment in the region. Many communities both along the Atlantic Shore and the Delaware Bay continue to recover from that disaster.

Atlantic City, in particular, was impacted by the storm as well as a significant downsizing of the casino industry. The decline of the casino industry is evident regionally as well. Table 1 shows the change in casino employment by county from 2000 to 2013. As can be seen from this table, the decline has been dramatic, totaling more than 12,500 employees.

Table 1
Change in Casino Employment by County 2000 and 2013

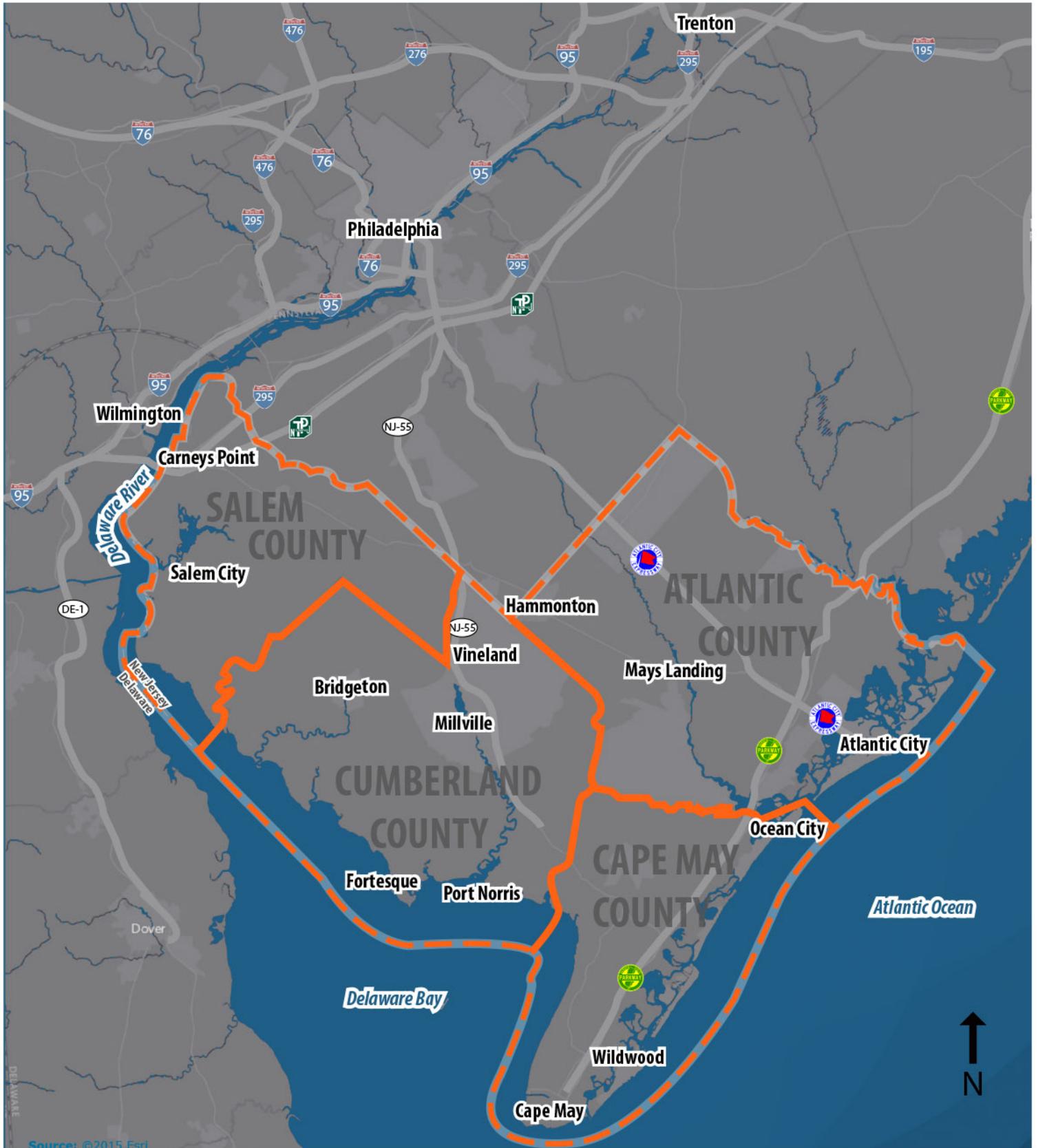
| COUNTY | 2000 Employment | 2013 Employment | Change 2000-2013 |
|---------------------|-----------------|-----------------|------------------|
| Atlantic | 38,335 | 27,715 | -28% |
| Cape May | 1,802 | 738 | -59% |
| Cumberland | 1,640 | 768 | -53% |
| Salem | 76 | 36 | -53% |
| South Jersey Region | 41,853 | 29,257 | -30% |

Source: Casino Control Commission Annual Reports, 2000, 2013

¹ 2013 American Community Survey: figure compares 2010 Census with 2013 estimate.



Map 1: Location of the South Jersey Region



These figures do not reflect the downturn of the last two years. The 2014 annual report from the Casino Control Commission indicates that casino jobs fell to 24,989. Additionally, Federal Reserve Economic Data reports from 2014 and 2015 place job losses at about 8,000 bringing the total direct casino job loss since 2000 to about 20,000 positions.

Despite these figures, the casino industry still provides a considerable portion of the region’s employment. Table 2 illustrates employment by SIC industrial sector. As can be seen from this table, only retail trade, services, and government were sectors that employed more persons than the casino industry (included as part of services employment.) Table 2 also offers some bright signs in the region’s economy indicating that it has begun to recover from the recession. Employment has increased in all sectors except manufacturing, retail trade and “other” or miscellaneous employment. The decline in manufacturing reflects trends statewide and nationally. Retail job losses can be explained by continued sluggishness in the consumer sector; the continuing impacts of Hurricane Sandy on shore communities; or some combination thereof. Healthy increases were evident in the services sector, despite the woes in the gaming industry.

**Table 2
Breakdown of the Southern New Jersey Economy**

| Economic Sector | Businesses | | | Employees | | |
|---------------------------------|---------------|---------------|-----------------|----------------|----------------|-----------------|
| | Number | | 2015 Percent | Number | | 2015 Percent |
| | 2012 | 2015 | | 2012 | 2015 | |
| Agriculture & Mining | 708 | 719 | 2.5% | 3,272 | 4,003 | 1.0% |
| Construction | 2,717 | 2,730 | 9.5% | 15,923 | 16,603 | 4.8% |
| Manufacturing | 648 | 608 | 2.1% | 16,079 | 13,479 | 4.9% |
| Transportation | 906 | 885 | 3.1% | 8,621 | 9,351 | 2.6% |
| Communication | 181 | 235 | 0.8% | 1,818 | 2,404 | 0.6% |
| Utility | 121 | 124 | 0.4% | 2,448 | 4,191 | 0.7% |
| Wholesale Trade | 1,106 | 978 | 3.4% | 8,780 | 9,472 | 2.7% |
| Retail Trade | 6,578 | 6,910 | 24.2% | 77,285 | 73,373 | 23.5% |
| Finance, Insurance, Real Estate | 2,224 | 2,894 | 10.1% | 15,155 | 15,218 | 4.6% |
| Services | 10,444 | 10,249 | 35.8% | 142,239 | 160,738 | 43.2% |
| Government | 1,552 | 1,564 | 5.5% | 35,723 | 36,292 | 10.9% |
| Other | 454 | 701 | 2.5% | 1,674 | 1,579 | 0.5% |
| TOTAL | 27,639 | 28,597 | 100.0% | 329,017 | 346,703 | 100.0% |

Source: ESRI, 2012 and 2015

There are other bright signs in the regional economy. Tourism figures are promising, although communities will have to sustain their recoveries from Superstorm Sandy. Statistics compiled in 2014 by “*Tourism Economics*” for the N.J. Division of Travel & Tourism indicate that tourism sales in the South Jersey Region increased by 1.0% between 2013 and 2014 to \$13.4 Billion Dollars. This is despite a sales decline in Atlantic County, which continues to feel the effects of the casino downturn. Forecasts from area tourism agencies indicate that 2015 was a strong year, building on the previously stated and positive trend.

Table 3
Tourism Impacts, 2013-2014

| County | Direct Sales from Tourism, (millions) | | | Tourism Employment | | |
|------------|---------------------------------------|----------|----------|--------------------|--------|----------|
| | 2013 | 2014 | % Change | 2013 | 2014 | % Change |
| Atlantic | \$7,318 | \$7,093 | -3.1% | 58,189 | 52,112 | -14.1% |
| Cape May | \$5,506 | \$5,794 | +5.2% | 25,457 | 25,674 | +2.0% |
| Cumberland | \$317 | \$321 | +1.1% | 3,154 | 3,096 | -3.3% |
| Salem | \$176 | \$196 | +11.3% | 1,524 | 1,551 | -1.1% |
| Region | \$13,317 | \$13,404 | +1.0% | 88,324 | 82,433 | -6.7% |

Source: 2015 Tourism Economics, "The Economic Impact of Tourism in New Jersey"

The increase in tourism sales, however, did not translate into an increase in tourism related employment. Tourism employment was down in all counties, except Cape May – again in all likelihood as a direct or indirect impact of casino downsizing.

While the region has created more than 17,600 jobs in the last three years, participation in the labor force has not kept pace with job creation. Table 4 below, illustrates the fluctuation in the labor force and the patterns of unemployment in an approximate five year increment for each of the four counties that are part of the District. It is quite evident from this table that the 2007 recession continues to have an impact on the regional economy. Labor force participation is lower today than in any of the prior years, except 2001. Unemployment rates in the four counties, however, have declined significantly. While still higher than in the pre-recession years, there has been a marked decline since 2011.

Table 4
Labor Force and Unemployment Trends in Southern New Jersey Counties: 2001-2015

| COUNTY | 2001 | | 2006 | | 2011 | | 2014* | |
|---------------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|
| | Labor Force | Percent Unemployed |
| Atlantic | 129,600 | 4.8 | 139,100 | 5.7 | 135,800 | 12.9 | 133,100 | 10.4 |
| Cape May | 55,300 | 6.7 | 57,800 | 6.9 | 58,300 | 12.5 | 49,000 | 12.0 |
| Cumberland | 65,200 | 6.5 | 69,500 | 6.9 | 70,800 | 13.4 | 67,200 | 9.9 |
| Salem | 30,900 | 4.4 | 31,700 | 5.0 | 31,700 | 10.8 | 31,400 | 8.2 |
| Four County Region | 281,000 | 5.5 | 298,100 | 6.1 | 296,600 | 12.7 | 280,700 | 10.3 |

Source: 2001-2011 data are annualized statistics from the N.J. Department of Labor & Workforce Development. The 2015 annualized data have not yet been released (January 2016) so 2014 annualized figures have been used.

Seasonal Unemployment

Because the region relies heavily on the tourist trade, gaming, agribusiness and other industries that reflect seasonal trends, unemployment rates in the winter months are much higher than at other times throughout the year. For example, February 2015 unemployment in Atlantic, Cape May, Cumberland and Salem Counties stood at 12.5%, 17.9%, 11.4% and 8.9% respectively. In each case, the percentage of unemployed residents was considerably higher than the annualized averages.

Given the breakdown of current business and employment opportunities in the region, it is reasonable to ask where future opportunities lie. The 2012 Key Industries Report, prepared by New Jersey Department of Labor & Workforce Development (LWD) examined anticipated growth in each of the region's principal economic sectors through 2020.

Table 5 takes a look at these forecasts. While the numbers did not anticipate the impact of Hurricane Sandy or the significant downsizing in the gaming industry, they nonetheless illustrate healthy regional growth and percentage changes in many of the industry sectors that the South Jersey Economic Development District identified as very desirable in previous CEDS. These sectors include healthcare; professional and technical services; and transportation/logistics.

Overall employment in the region is anticipated to grow by 22,100 jobs from 2010 levels. If ESRI Estimates (Table 2) are accurate, the region has already met 80% of its anticipated job growth in just the past three years! While this growth may not correspond neatly with the forecasts by industry sector, it is nonetheless an encouraging sign for the area.

Table 5
Anticipated Growth by Economic Sector 2010-2020

| Economic Sector | Anticipated Growth in Jobs | | | | Percentage Growth in Jobs | | | |
|---------------------------------|-------------------------------|--------------|--------------|--------------|------------------------------|------------|------------|------------|
| | Atlantic | Cape | Cumb | Salem | Atlantic | Cape | Cumb | Salem |
| Accommodation/Food Services | 4,000 | 200 | 300 | 100 | 8.5 | 2.4 | 9.5 | 18.1 |
| Healthcare/Social Services | 2,900 | 550 | 950 | 400 | 16.7 | 11.3 | 11.2 | 13.8 |
| Retail Trade | 2,200 | 300 | 850 | 100 | 14.3 | 4.5 | 11.1 | 5.3 |
| Construction | 1,850 | 250 | 700 | 50 | 40.4 | 15.0 | 31.4 | 6.5 |
| Professional/Technical Services | 1,200 | 200 | 200 | 100 | 25.9 | 18.6 | 20.7 | 16.8 |
| Admin/Waste Management | 850 | 250 | 250 | 250 | 19.1 | 28.1 | 13.6 | 28.0 |
| Other Services | 750 | 100 | 250 | 100 | 14.9 | 4.5 | 12.8 | 18.1 |
| Transpo./Warehousing | 350 | 50 | 250 | 200 | 17.0 | 13.3 | 10.3 | 14.6 |
| Finance and Insurance | 250 | 100 | 50 | 0 | 8.9 | 8.3 | 2.9 | 4.3 |
| Real Estate/Related Services | 250 | 200 | 100 | 50 | 19.0 | 17.4 | 19.1 | 19.1 |
| Arts, Entertainment, Recreation | 150 | 150 | 50 | 0 | 6.9 | 8.1 | 18.2 | 0.0 |
| Manufacturing | 100 | -50 | 250 | 50 | 4.6 | -7.7 | 3.1 | 1.9 |
| Wholesale Trade | 100 | 50 | 200 | 50 | 3.5 | 9.4 | 7.0 | 13.9 |
| Educational Services | 100 | 0 | 50 | 50 | 10.8 | 10.7 | 10.9 | 23.4 |
| Utilities | 50 | 0 | 0 | 100 | 6.1 | 6.0 | 7.1 | 6.1 |
| Management of Companies | 50 | 0 | 50 | 0 | 4.4 | 7.9 | 7.9 | 0.0 |
| Natural Resources/Mining | 0 | 50 | 50 | 0 | 0.0 | 60.8 | 23.3 | 0.0 |
| Information | -250 | -50 | -50 | -50 | -24.6 | -22.8 | -7.1 | -24.6 |
| Government | -550 | -350 | -350 | 50 | -2.4 | -3.5 | -2.5 | 1.6 |
| TOTAL NON-FARM EMPLOY. | 14,300 | 2,000 | 4,100 | 1,700 | 10.4 | 4.7 | 7.0 | 8.0 |

Source: NJ Department of Labor & Workforce Development, 2012

In 2011, the New Jersey Department of Labor & Workforce Development prepared Community Fact Books for each county in the State delineating anticipated demand in a range of employment and job classifications through 2018.

Table 6 outlines the employment classifications that are anticipated to “grow” in each of the four counties in the South Jersey District. As can be seen from the table, there are only two occupational job classifications in which three or more counties exhibit a growing demand: registered nurses and retail sales people.

**Table 6
Growing Demand in Occupation and Employment Classifications**

| Employment Classification | Atlantic | Cape May | Cumberland | Salem |
|--|-----------------|-----------------|-------------------|--------------|
| Combined Food Preparation and Serving | | + | + | + |
| Restaurant Cooks | | + | | |
| Waiters/Waitresses | | + | | + |
| Counter Attendants, Coffee Shops, etc. | | + | | + |
| Dining Room, Bar, Cafeteria Attendants | | + | | |
| Hosts and Hostesses | | + | | |
| Maids and Housekeepers | | + | | |
| Dishwashers | | + | | |
| Hotel, Motel and Desk Clerks | | + | | |
| Truck Drivers | | | + | + |
| Registered Nurses | + | + | + | + |
| Practical Nurses | | | | |
| Home Health Aids | | + | + | |
| Orderlies and Nurses Aids | + | | + | |
| Hair Dressers, Cosmetologists | | | + | + |
| Bank Tellers | | | | + |
| Customer Service Representatives | | | + | |
| Receptionist and Information Clerk | + | | + | |
| Retail Sales Persons | + | + | + | |
| Stock Clerks and Order Fillers | | | + | |
| Police and Public Safety | | | + | |
| Social and Human Service Assistants | | | + | |
| First Line Administrative Supervisors | | | + | |
| Office Clerks | | | + | |
| Landscaping and Grounds Keeping | | + | | |
| Amusement and Recreation Attendants | | + | | |

Source: N.J. Department of Labor, 2011

Emerging or Declining Industry Clusters

In examining the employment trend data and forecasts from the New Jersey Department of Labor & Workforce Development there are six sectors of the economy that are demonstrating double digit employment growth across all four counties. These include 1) Healthcare; 2) Professional Services; 3) Administrative Services; 4) Transportation (Logistics); 5) Real Estate Services; and 6) Educational Services. The growth in communication and utility jobs implies growth in technology subsectors. “Transportation and Logistics” is among the fastest growing employment sectors statewide; and within the services sector, there are four subsectors that comprise 78% of all service employment. They are: professional, technical & scientific services; educational services; healthcare services; and hospitality services.

POPULATION AND DEMOGRAPHY

The 2015 population of the southern New Jersey Region was 597,425 residents, an increase of 5.6% from the 2000 population of 565,601. As can be seen from Table 7 however, population change varied considerably by county. Atlantic and Cumberland Counties demonstrated the most significant rates of growth, outpacing Salem County. Cape May County registered a decrease in population.

Table 7
Population Change by County, 2000 - 2015

| County | 2000 Pop | 2015 Pop Estimate | % Change |
|---------------|-----------------|--------------------------|-----------------|
| Atlantic | 252,552 | 275,893 | +9.2% |
| Cape May | 102,326 | 97,373 | -4.8% |
| Cumberland | 146,438 | 158,864 | +8.5% |
| Salem | 64,285 | 65,295 | +1.6% |
| Total | 565,601 | 597,425 | +5.6% |

Source: 2010 U.S. Census; ESRI 2015

The 2008 recession and particularly the crash in the housing market, slowed population growth in the region considerably. Prior to the downturn, there were thousands of new residential building lots in the development pipeline, indicating that the region has significant potential as a residential destination. While the housing market continues to recover, it will eventually return to what was a very healthy rate of growth.

Housing units for the region as a whole are estimated at 311,959; an increase over the 284,158 units in 2000. This represents an increase of 10% and 27,801 units. This easily outpaced the rate of population growth, explained in part by a healthy increase in seasonal units constructed in the seashore communities. For example, Cape May County had a 9.3% increase in housing units over this time period despite a loss of year-round residents of 4.3% over the fifteen years. Overall, the growth in housing in the region is expected to increase very modestly over the next five years to a total of 314,752 units, (ESRI 2015.)

Racial and Ethnic Comparisons

Southern New Jersey is a racially and ethnically diverse region with almost one-third of its total population encompassing a racial minority. Cumberland County was the most diverse of the four counties, with the largest percentage of African American residents and Hispanic residents.

Cape May County was the least diverse. Atlantic County easily had the largest numbers and percentage of Asian residents, due to a large employment of Asian workers in the Casino and gaming industries and other lines of employment.

**Table 8
Racial Diversity by County**

| County | White | | African American | | Asian | | Other | |
|-----------------------|----------------|-------------|------------------|-------------|---------------|------------|---------------|-------------|
| | 2015 Pop | % of Total | 2015 Pop | % of Total | 2015 Pop | % of Total | 2015 Pop | % of Total |
| Atlantic | 175,468 | 63.6 | 44,143 | 16.0 | 22,071 | 8.0 | 34,211 | 12.4 |
| Cape May | 86,370 | 88.7 | 4,577 | 4.7 | 974 | 1.0 | 5,452 | 5.6 |
| Cumberland | 96,907 | 61.0 | 31,296 | 19.7 | 2,065 | 1.3 | 28,596 | 18.0 |
| Salem | 51,191 | 78.4 | 9,402 | 14.4 | 718 | 1.1 | 3,984 | 6.1 |
| Regional Total | 409,936 | 68.6 | 89,418 | 15.0 | 25,828 | 4.3 | 72,243 | 12.1 |

Source: ESRI Estimates, 2015. The "Other" category encompasses residents who have identified themselves as another race or of mixed race.

Hispanic Population Growth

Not identified as part of a racial breakdown is the percentage of individuals identifying themselves as Hispanic, since individuals of different races may consider themselves Hispanic. Cumberland County had the largest percentage of Hispanic residents, at 30.4% of the total population. Atlantic County was second, with 19.2%; and Cape May and Salem Counties' Hispanic populations were each at approximately 8.0%.

The total regional population of Hispanic residents between 2000 and the present grew from 64,428 in 2000 to 106,101 presently. This represents a rate of growth of 65% over the period. This is probably an undercounted population since the figures represent estimates based on census counts which included only those individuals willing to identify race or ethnic origin.

Regional Incomes

Median household income in the United States was \$53,217 in 2015. Of the four counties in the South Jersey District, two of the four – Cape May and Salem – had incomes higher than the national average. Cape May County had the highest median household income at \$56,648, followed closely by Salem County at \$56,478. Atlantic and Cumberland Counties had median incomes at \$51,450 and \$50,037 respectively – just below the national average. None of the counties had median incomes that exceeded the New Jersey average. New Jersey's median income, at \$70,538 is among the highest in the nation.

Poverty

Given that household incomes in the region are fairly close to the national median, it is not surprising that poverty rates are also comparable. In the United States, 15.7% of individuals live at or below the poverty rate. In the South Jersey Region, this rate is 15.1%.

The poverty rates for each of the South Jersey counties deviated from the regional median, with Cumberland County having the highest percentage and Cape May County having the lowest rate. Poverty rates, obtained from 2014 ACS data for each of the counties is as follows.

Table 9
Poverty Rates by County, 2014

| | | | |
|-------------------|-------|-----------------|-------|
| Atlantic County | 15.2% | Cape May County | 11.1% |
| Cumberland County | 18.0% | Salem County | 13.5% |

Source: 2014 American Community Survey, U.S. Bureau of the Census

ENVIRONMENTAL CHARACTERISTICS

The southern New Jersey Region is dominated by three key environmental characteristics that have shaped and will continue to shape the region’s economy. They include:

- Over 300 miles of Atlantic Ocean and Delaware Bay and River coastline
- Picturesque and Nationally Significant Inland Rivers
- Critical Environmental Areas and Habitat

Obviously, the Atlantic Coastline is home to some of the nation’s premier beaches and recreational destinations. As has been pointed out, these destinations contribute to the region’s seasonal economy but also help to establish an identity for the area as a major tourism destination. The small communities along the Delaware Bay offer fishing, boating, and more passive recreational pursuits such as birding. The Delaware Estuary is among the largest migratory routes in the world for a range of birds and water fowl.

The Atlantic Coast and the Delaware Bay coast also pose challenges for shoreline towns and villages. They are susceptible to rises in sea level and impacts from storms and hurricanes – as most recently evident with damage from Superstorm Sandy. Inland, the rivers of the region host some of the nation’s most significant wetlands and unspoiled waterways. In Atlantic County, the 127 mile Great Egg Harbor River system contains 17 tributaries and is almost wholly located in the pristine New Jersey Pinelands. The Maurice River has its headwaters in Gloucester County, but from Millville south to Port Norris it is also part of the National Wild & Scenic Rivers System. There are portions of three tributaries that are also part of this system: the Menantico and Muskee Creeks and the Manumuskin River. There are many other scenic waterways in the region including the Cohansey River, the Wading River, the Mullica River, the Tuckahoe River, and the Salem River. The lower Maurice River and the Salem River are commercial rivers providing recreational, fishing, and other shipping opportunities.

Critical environmental areas and endangered species habitat generally populate the coastal areas of the Atlantic Ocean and Delaware Bay. The Forsythe Fish & Wildlife Management Area in Atlantic County and the Bevan Fish & Wildlife Management Area in Cumberland County are among the largest such preserves in the State. Cape May County and the Delaware Bay Shore generally are home to one of the largest bird migrations in the world. The Delaware Bay provides shore habitat for horseshoe crabs whose eggs on which many of the migratory shore birds feed. These wetland areas also offer sanctuary for many of the region’s wading birds, endangered plant species, and small animals.

The region also has considerable wetlands and State preserved natural areas. Beyond these lands, there are also many locations where private land trusts such as The Nature Conservancy, The Natural Lands Trust, and the Audubon Society have acquired and protected land. In addition, more than 59,000 acres of farmland, particularly in Cumberland and Salem Counties have also been preserved, representing 28% of protected acreage statewide. Table 10 illustrates the range of preserved acreage by County.

**Table 10
Preserved Acreage by County in the South Jersey Region**

| County | Total Acres | Preserved Acres | Percentage |
|-------------------|--------------------|------------------------|-------------------|
| Atlantic County | 390,815 | 108,122 | 27.7% |
| Cape May County | 183,171 | 83,916 | 45.8% |
| Cumberland County | 321,148 | 125,230 | 38.9% |
| Salem County | 222,153 | 59,327 | 26.7% |
| Regional Total | 1,117,287 | 376,595 | 33.7% |

Source: 2013-2017 NJ Statewide Comprehensive Outdoor Recreation Plan, NJ DEP

The figures in Table 10 include preserved farmland, but do not include heavily regulated land such as that affected by the Coastal Area Facility Review Act (CAFRA) or included as part of the New Jersey Pinelands. The region has considerable natural and environmental characteristics that warrant protection and also constrain economic development.

TRANSPORTATION INFRASTRUCTURE ASSETS

Interstate Highway System

There are a number of principal highway arteries and other transportation infrastructure in the South Jersey Region. The Interstate System includes I-295 which traverses Salem County and links to points north including Camden County and Trenton. Eventually it also links with I-95 South in Delaware. The New Jersey Turnpike which becomes I-95 is also part of this system and one of the busiest highway corridors in the nation. Even in the South Jersey Region at its terminus with I-295, daily traffic counts exceed 32,000 vpd according to NJ DOT.

Other Federal Highways and Major State Arteries

U.S. Routes 130 and 40 provide significant highway capacity north to south and east to west across the region. U.S. 40 – the Harding Highway – is one of the first transcontinental highways in the U.S. system. NJ Route 55 (discussed on the following page), the North South Freeway (NJ Route 42), and Atlantic City Expressway, the Garden State Parkway and other smaller inter-county roadways link the region to the rest of southern New Jersey and the greater metro area.

Railroads

The region is served by Conrail and its parent carriers Norfolk Southern and CSX. In addition, there are a number of shortline railroads in the region, including Salem Branch in Salem County; the Winchester & Western Railroad in Cumberland County; and the Cape May Seashore Line in Cape May County; and Southern Railroad in Atlantic County. These rail networks serve the more heavily industrialized areas of the region including the Delaware River Corridor and the industrial communities of Cumberland County.

Large stretches of the regional rail network are currently being rehabilitated through a \$24.5 million dollar TIGER III Grant from U.S. DOT. But even after these improvements are made, rail traffic to the region will continue to be restricted by height limitations on the Pennsylvania side of the Delair Bridge in Camden County, which prohibit the transport of double-stacked container freight.

There is only one passenger rail connection to the region and that is provided through New Jersey Transit's Atlantic City Rail Line, which traverses Atlantic County from the station stop in Hammonton to the eastbound terminus in Atlantic City. The potential extension of light rail service from Camden to Glassboro, while not directly impacting the region, could spur additional development, particularly in the housing sector, in eastern Salem County, western Atlantic County and northern Cumberland County.

Port Infrastructure

The South Jersey Port Corporation owns and operates the port network along the Delaware River. While the greater port system certainly provides access to and from many of the major industries of the region, only one port – the Port of Salem – is located in the region. The other ports lie to the north in Gloucester and Camden Counties.

However, with the improvements to the Panama Canal which will include a new lane for shipping and accommodate larger vessels, maritime repair facilities in the South Jersey Region will take on additional importance. Places such as Dorchester in Cumberland County on the Maurice River, should gain additional business from the tug, barge and other traffic on the Delaware Bay needed to support the increase in commerce and the larger "Panamax-sized" vessels.

Fiber and Cellular

Given the extremely competitive nature of the business, it is difficult to get an accurate accounting of fiber and cellular capacity in the region since the carriers are very parochial about sharing that information. The backbone of the broadband system in the region follows the route of the Atlantic City Expressway with various carriers offering service through a maze of lines and wireless service connections.

GEOGRAPHY AND RELATIONSHIP OF SJEDD TO LARGER REGION

The South Jersey Region is a Peninsula, surrounded by the Atlantic Ocean, the Delaware Bay and the Delaware River. As such, the region has been isolated historically from much of the rest of the State and greater Philadelphia area. It was not until 1989 with the construction of NJ Route 55 that much of the region was opened to the possibility of new development.

With the completion of NJ Route 55 and the other freeway and Interstate highways that exist in the region such as I-295, the New Jersey Turnpike, and the Atlantic City Expressway the area has become much more connected to the Philadelphia Suburban Market. New housing developments are providing less expensive locations for individuals who have jobs in the City or the first ring New Jersey suburbs to live. Greater commercial accessibility has also accelerated the potential for redevelopment and repositioning the region for future growth.

The other significant geographic factor that will weigh on the future of this region is its location near water. With rising sea levels, proximity to storm surges along the coast and hurricane impacts further inland, the area is increasingly vulnerable to the wrath of ocean-born storms and weather-related disasters. Superstorm Sandy cost residents and businesses in the South Jersey Region tens of millions dollars. According to the Rutgers University School of Public Affairs publication, *“The Impact of Superstorm Sandy on New Jersey Towns and Households, 2013”* each of the 21 New Jersey Counties was evaluated and ranked based on the extent of damage from the storm. A score of 100 represents extensive damage and a score of 0 represents no damage. Both Atlantic and Cape May Counties received scores of 47, placing them in the mid-range (11th and 13th among the 21 counties respectively) based on the damage to commercial and residential property. Cumberland County ranked 19th and Salem County 21st, with minimal damage countywide, although Cumberland’s Bayshore towns and villages were extremely hard hit.

Reports indicate that the frequency of storms with comparable surges is likely to increase in the coming years. Over the past 200 years, New Jersey has seen 20 notable hurricanes. If the odds are 1 in 10 that in any given year a hurricane is likely to impact the New Jersey coast, then the coastal areas of the region must invest in additional improvements to reduce the likelihood for a storm surge comparable to Sandy’s.

OTHER FACTORS RELATING TO ECONOMIC HEALTH

Education

Residents of the South Jersey Region trail the State in educational attainment. This has been a major challenge for the region for many years, due to some extent to the area’s traditional blue collar industries; the seasonal nature of the economy; and the ongoing influx of agricultural workers. Table 9 makes the regional and statewide comparisons.

As can be seen from this table, the region has appreciable higher percentages of the population who do not have a high school diploma, or who only have a high school education. The percentage of people with some college, including Associates Degrees, is comparable to the State, but the percentage of college graduates is much lower.

**Table 9
Regional and Statewide Educational Attainment of Population 25 Years and Older**

| Educational Attainment | South Jersey Region | | New Jersey | |
|--|---------------------|---------------|------------------|---------------|
| | Number | Percent | Number | Percent |
| Less than High School Education | 67,274 | 16.5% | 714,922 | 12.0% |
| High School Education, including Equivalency | 146,739 | 36.1% | 1,742,254 | 29.0% |
| Some College | 103,427 | 25.4% | 1,393,797 | 23.2% |
| College Education or Better | 89,540 | 22.0% | 2,150,773 | 35.8% |
| TOTALS | 406,980 | 100.0% | 6,007,746 | 100.0% |

Source: American Community Survey, U.S. Bureau of the Census, 2013

Targeted Labor Force Training

All four South Jersey Counties are included in Workforce Development Boards that establish labor force training priorities and coordinate them with the New Jersey Department of Labor & Workforce Development.

SUMMARY AND IMPLICATIONS

What then, does the information in this narrative imply regarding the future of the southern New Jersey economy? There are seven issues that might have significant implications for the region’s economic growth and development.

1. **The Region’s Increasing Diversity.** The racial and ethnic diversity of the region also implies the potential for job diversification, particularly for job training that may involve a second language. While the population of the region is expected to increase modestly over the coming decade, this area of New Jersey remains poised for growth as the national economy recovers. With a current labor force of approximately 300,000 workers and the region supplying 329,000 jobs, it is apparent that the growth in economic development must outpace population growth if the region is to supply a sufficient number of jobs for its residents. Without that trend, the area will develop as a “bedroom community” for commuters seeking employment in other areas of the State, Delaware, and other locations along the I-95 Corridor.
2. **Prioritizing Economic Development Resources.** Rising sea levels point to the potential for focusing additional infrastructure resources that may otherwise go toward the expansion of water, sewer, broadband and other traditional needs to shore protection. Clearly, the tourism and recreational industries are critical to the

future of the region. The District will have to work closely with its member counties to ensure a fair and equitable distribution of Federal and other funding between the needs of the coastal communities and other areas of the region.

3. The Changing Economic Base. The decline of the Atlantic City Gaming Industry eliminated a huge number of jobs from the South Jersey Region. According to ESRI data, job growth in the region over the coming years is anticipated to be slow, rising at a mere 0.9% annually. This will not be fast enough to reduce the region's high unemployment rates quickly. If unemployment is to be significantly reduced, new jobs must be created at a faster pace, which means an accelerated rate of business recruitment must occur and/or workers will have to look outside of the region for work. In addition, because there is such a high percentage of the economy devoted to tourism and related services, it is important that the region continues to diversify its tourism base to compete effectively with emerging tourism markets. The decline of the gaming industry can also be viewed as an opportunity to invest in new entertainment and recreation; new hotels, restaurants and other hospitality services; the creation of new tourism facilities and destinations; and the development/redevelopment of existing tourism venues. Both at the county level and regionally, officials have been discussing the potential opportunities for growth in several subsectors of the economy, including the wine industry, aquaculture, aeronautics and UAS technologies, and food processing. The market and prospects for very specific areas of the economy will need to be explored.
4. The Tourism and Seasonal Economies. This is such a critical and historic part of the region's economy and continued investment is essential. But, the predominance of accommodation, hospitality, service, and retail jobs in the southern New Jersey Region contributes to the modest levels of household incomes. Despite the fact that household income for the region as a whole was \$53,791, which is higher than the national average, this income was only 80% of the State average, implying a need to diversify the economy to provide additional family wage, higher paying, and higher skilled jobs.
5. The Educational Gap. There are six sectors of the regional economy where the NJ Department of Labor & Workforce Development envisions double digit job growth as a percentage of the current economic base. These are Healthcare, Professional and Technical Services; Administrative Services; Transportation (Logistics); Real Estate Services; and Educational Services. The current educational attainment of the region's population points to an ability to accommodate growth in transportation and real estate service. Healthcare, professional services and educational services all require degrees of higher education or specialized training. Registered Nurses are likely to be in particular demand in all counties. The region's workforce training partnerships must stay abreast of regional trends and ensure that training and educational programs are keeping up with business and industrial demands. The County Colleges, Technical High Schools and the Workforce Development Boards in the region can be key partners in helping to bridge educational and training gaps.

6. Land Use and Promoting Resiliency. The population growth in the South Jersey Region is anticipated to be modest over the coming years. This modest growth may be a positive trend for economic development opportunities. The region has many undevelopable areas. The Pinelands is generally off limits for substantial growth. Preserved farmlands and natural areas also comprise a considerable part of the region. The Coastal Zone (CAFRA) has considerable development constraints. What this means is that there will be diminishing areas for new industrial and commercial growth. Counties and municipalities will have to focus on ensuring that large tracts of land that might accommodate industrial and business park development are identified and properly zoned so they are not used for residential expansion or other land uses. There will also have to be additional focus on brownfield revitalization and economic redevelopment. Promoting redevelopment in areas of the region that are particularly distressed or on tracts of land that are underutilized can also encourage new investment and economic growth.
7. Regional Transportation and Access. As it relates to economic development, freight transportation is critical to the future of the region. That means there needs to be continued investment in rail and port infrastructure, as well as highway access to the area's major industrial and business centers. Rail lines, when they go out of service should not be used for alternative purposes. These rights-of-way are critical to future rail access to industrial properties or the redevelopment of existing ones. Public transit access is also critical in supplying workers to existing and potential businesses.

CONCLUSIONS AND NEXT STEPS

This background information on the region forms the foundation of the policy direction that the stakeholders of the region and the Board of the South Jersey Economic Development District will ultimately define. The information will also provide the basis for outlining the dominant Strengths, Weaknesses, Opportunities and Threats (SWOT) that will also help to prescribe policy and set direction for regional economic growth.

It is clear that there are trends in the South Jersey Region that point to the need for specific actions and projects as part of the CEDS. Once these trends and compiled materials have been shared with residents and stakeholders, the Board will begin to establish key goals and objectives that will define an Action Agenda for the coming years.

Section 2

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

A SWOT Analysis of the South Jersey Region

OVERVIEW

The four counties of the South Jersey Region are similar in many ways. But, there is also considerable diversity. Each of them possesses characteristics that define them as unique communities. In order to appreciate both the differences and similarities, the following pages present an analysis of the Strengths, Weaknesses, Opportunities and Threats facing the region. This S.W.O.T. Analysis examines the broad-based issues posed by the region as a whole; then looks more closely at areas where individual counties may exhibit some of their unique characteristics. It substantially revises the FY 2014 CEDS Update and will be the basis for a more substantial revision of the CEDS over the next several months.



Strengths: The South Jersey Region has a multitude of strengths. Some of them stem from its traditional characteristics and long-time economic base. Others relate to the area's location and proximity to the greater northeast. In any event, southern New Jersey provides a range of strengths that can be the basis for future economic growth and development. The following are some of the characteristics that exemplify those assets.

A Strong Tourism and Recreational Economy. Clearly, one of the key strengths of the region is its many tourism assets. The region is one of the premier tourism destinations in the nation. Atlantic and Cape May Counties have some of the most popular shore communities in the nation. Gaming remains a significant industry, despite recent challenges. All the counties, including Cumberland and Salem have a number of ecotourism, historic and cultural attractions.

The Cost of Doing Business. Land in the region is relatively inexpensive when compared to other areas of New Jersey. Wages and the general cost of living in this part of the State are also lower. According to 2014 American Factfinder statistics, the average home value in the region was \$222,000, compared with prices upwards of \$400,000 in many areas of northern New Jersey. The region has abundant land at affordable prices for both

residential and business development. Salem County is a reduced sales tax (3.5%) county and there are Urban Enterprise Zones in Cumberland and Cape May and Atlantic Counties that offer reduced sales taxes plus incentives for business expansion and development.

Location. While somewhat removed from the heart of the northeast corridor, the region is easily accessible to the Mid-Atlantic Region and has good interstate and international transportation connections. Atlantic County has regional access to metropolitan areas through the AC Expressway to the west and Garden State Parkway to the north. Similar access is afforded from Cape May County via the Parkway. Cumberland County has a direct link to the Philadelphia metro area via NJ Route 55 with significant industrial development adjacent to several Rt. 55 interchanges. Salem County is host to the NJ Turnpike, Interstate 295, US Rt. 40 and the Delaware Memorial Bridge giving businesses in the County easy access to the interstate highway system and significant US population centers within a day's drive of the County.

Unique Historic, Cultural and Natural Assets. The region's rural character, quaint towns and villages, historic sites and cultural resources offer a unique quality of life and a slower,



less-congested pace of life with access to an abundance of natural and recreational amenities. Places such as Fortescue provide marinas for both pleasure and fishing boats. Birding is a prominent pursuit in all four counties, with the annual Audubon Society's *World Series of Birding* drawing thousands of birders to the region. The Cape May Bird Observatory is world renowned for its research activities. Eco-tourism is becoming a

prominent activity including agri-tourism in the rural areas of Cumberland and Salem Counties. The Cape May Zoo and the Cohanzik Zoo are recognized for their unique resources.

Growing Industry Clusters. Key industry clusters such as aviation; agriculture and food processing; entertainment and recreation; transportation and logistics; health care; and advanced manufacturing can be the core of an expanded and diversified economy. The region is home to the FAA Technical Center at the Atlantic City International Airport and the Stockton Aviation Research and Technical Park which will foster innovation and growth of the regions' aviation industry. In addition, the airports at Cape May County and Millville offer ample space for business and industrial growth. Smaller general aviation airports in the counties will support additional aviation businesses. Agriculture and Agri-business are significant contributors to the regional economy both for food production and horticultural products. A growing viticulture and winery sector is providing the region

with a unique destination tourism opportunity. The regional transportation network connections in Salem and Cumberland counties particularly offer opportunity to expand on the Transportation Distribution and Logistics (TDL) sector, and provide advantages to local manufacturing entities for supply and shipment of goods. Healthcare opportunities are expanding with the regional hospitals adding significant numbers of specialty care clinics and alternative treatment sites, and partnering with regional education institutions for medical training. An emerging manufacturing sector, 3D printing, is located in the region.

Strong Job Training and Educational Partnerships. Workforce Development Boards in the region have excellent reputations and bring experience in all sectors of job training and development. In addition, the region has demonstrated good inter-county and inter-municipal cooperation in a range of educational and job development initiatives. Cumberland County is opening a full-time technical high school in 2016. Cumberland County has created a Workforce and Economic Development center at the Cumberland County College. Salem Community College and Salem County Vo-Tech collaborate with the Cumberland-Salem Workforce Development Board on specialized training initiatives. Cape May County Technical School and Atlantic Cape Community College have a unique program for a degree pathway in the aviation field leading from high school to a bachelor's degree. The County Colleges in all four counties have articulation agreements with four year colleges to guarantee transfer students entrance into a baccalaureate program.

Special Development Designations. Many areas of the region have special development designations. Foreign Trade Zone (FTZ) status has been granted to the Port of Salem and the Millville Airport. Urban Enterprise Zone (UEZ) designations are active in Bridgeton, Vineland/Millville, the Wildwoods and Pleasantville. The areas near transit hubs, or are listed as distressed communities are eligible for targeted grants and aid from organizations such as the Casino Reinvestment Development Authority (CRDA) and the NJEDA. Additional incentives from the State are available to designated Redevelopment Areas that have been approved consistent with the Local Redevelopment and Housing Law. Federal assistance may be available as well through USEDPA and USDA Rural Development funding.

Weaknesses: Every region has vulnerabilities. The South Jersey Region is no exception. One of the primary missions of the CEDS is to identify ways to address or mitigate these weaknesses.

Infrastructure. The region lacks sufficient infrastructure in the places most attractive to the growth industries of the present and future. This includes broadband and internet connections which are so vital to the communications industry and all sectors of business as well as limited access to public water and sewer in many areas of the region.

Workforce Transit. The rural nature of the region and the dispersed location of job clusters means that many people need public transit to get to work. As an example, the NJT Route 553 bus from Bridgeton to Atlantic City is one of the most active transit lines in the entire NJ Transit system. Yet, public transit service is sparse and does not connect all population and employment centers inside and outside the region. Public transit is lacking to service

rural populations in Salem and Cumberland County, with limited funding available to establish such services.

Inadequate Workforce Skills. One of the long-time weaknesses of the region is a remnant of its historic manufacturing base when people without high school or college degrees could get family-wage jobs in the glass, textile, or food processing industries. This is no longer the case. The regional workforce lags behind the rest of the State and region in educational and job skills.

Regulatory Environment. Many areas of the region have important coastal and environmental characteristics. The New Jersey Pinelands is a major presence in the eastern half of the region. While there are certainly good reasons for protecting these critical environmental areas, this limits the availability of land for commercial and industrial purposes and restricts the viability of adjacent parcels.

Seasonal Industry Base. Again, given the historic nature of the region's economy, the tourism, hospitality and agricultural industries have been cyclical, providing relatively strong employment opportunities in the growing season and summer months and diminished potential in the off-season and winter months. These trends stem from the limited diversity of the area's economic base and are reflected in the regional unemployment rates. Despite recent challenges, the gaming industry remains one of the largest employers in the South Jersey Region.



Opportunities: There are assets in the region that are important to new and growing industries. These include small but highly skilled occupational clusters that could support other industries that demand technical skills. However, they are not sufficiently coordinated or marketed. The aviation, healthcare and renewable energy industries represent examples of key technology industries that provide high paying jobs that foster significant increase in standards of living. In addition, the following are other opportunities.

Redevelopment and Repositioning. As an older industrial market, there are many locations throughout the region where brownfield or grayfield sites lend themselves to redevelopment. They also provide opportunities for repositioning the local and regional economies for new types of businesses and employment. This is particularly true in some of the region's economically distressed urban centers. The State of New Jersey Business Action Center maintains a database of Redevelopment Areas. There are distinct advantages for a municipality to engage in redevelopment including the provision of property tax

abatements, or payment in lieu of taxes (PILOT) agreements and flexible development regulations.

Revitalized Rail/Port Infrastructure. A major regional rail/port corridor along the Delaware River is being revitalized. The Delair Bridge in Camden County has been upgraded to handle state-of-the-art 286,000 lb. rail cars, which means it can handle the full range of commodities that might be shipped to or from the South Jersey Region. The Port of Paulsboro, while located just outside the South Jersey Region, will provide new employment opportunities for area residents. The Port of Salem has redevelopment potential and Mid-Atlantic Shipping in Salem City links to international ports with regular liner services. The region's current mainline and shortline rail freight network links many of the brownfield and redevelopment areas, in addition to providing a direct link to the national rail freight network.



Burgeoning Domestic Travel Market. Concerns for international terrorism and threats to the European travel market make domestic travel an increasingly desirable option. The South Jersey Region provides one of the nation's most popular travel destinations.

Potential for Transit Expansion. The planned expansion of light rail transit from the Camden/Philadelphia area to Glassboro will open the northern and western areas of the region to new transit possibilities and employment potential.

Historic and Cultural Assets. History and culture are important aspects of South Jersey's character. For example, there are many small towns, villages, and historic sites scattered throughout the region that tell the story of the region's settlement, maritime heritage, glass industry, or native American history. Investing in these assets can help to expand visitation to the region and promote the conservation of the region's past.

Threats: There are competitive pressures on the region's current industry clusters including tourism, distribution, and aviation research. Also, environmental issues and how they are dealt with could limit growth potential. Finally, the general lack of industrial diversification makes the region particularly vulnerable to these competitive pressures. Specific threats include:

Sea Level Rise. This is a particularly significant threat to the sustainability and resilience of coastal communities, both along the Atlantic Coast and Delaware Bay Shore. The recent impacts of Super Storm Sandy are still being felt in many locations throughout the region.



Available but Diminishing Industrial Land Base. The area has available land for industrial development and commercial expansion, but it is limited in the level of infrastructure supporting it and is disappearing rapidly to other types of development and/or regulatory pressure.

Regional Competition. The gaming industry has suffered significantly from the growth of similar venues in Philadelphia, Connecticut and elsewhere. In addition, there are always threats and competition for jobs and employers from regional markets in Pennsylvania, Delaware, Maryland and other locations in the Mid-Atlantic Region.

Changing Demographics. An increasing challenge for the region will be to address the language and cultural barriers to workforce and business development in the Hispanic Community and an increasingly diverse population. Another threat is an aging population, and potential for labor shortages in key areas of the economy.

Global Marketplace. As the speed of communication and logistics technology changes, the global marketplace will be an increasing threat to the region's industry.

SUMMARY

Like all regions, Southern New Jersey has strengths and weaknesses. Viewed as a whole, its strengths are considerable. It is the last place in the State where large tracts of land remain available for development. It is well positioned within the greater region and accessible to a wide range of transportation. It provides an excellent 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 weaknesses and threats of the region are also important. They represent conditions that need to be eliminated or mitigated if the region is to prosper. Each of the four counties in the South Jersey Region will assume different approaches to building on its strengths and dealing with its weaknesses. Together, these counties will bring considerable talent and resources to the South Jersey District that will provide a regional approach to economic development.

The following section of the CEDS looks at the goals and strategies that constitute that approach. They represent the bases for building on the types of growth and development that will benefit the region as a whole and provide for the individual and unique approaches that each county wants to bring to its local jurisdiction.

GOALS, STRATEGIES AND PROJECT PROPOSALS

GOALS AND STRATEGIES

The FY 2014 Annual Update to the CEDS listed a number of important goals and strategies. From these goals and strategies, specific projects and program initiatives were identified. This FY 2015 Update builds on that foundation. But it also sets the stage for a major reworking of the CEDS later this year that will focus on a more thematic based approach to regional economic development.

The FY 2014 Annual Update focused regional goals and strategies around four key industry sectors: 1) Tourism; 2) Aviation; 3) Healthcare; and 4) Renewable Energy. There are several technology sectors in the region, centered on aviation, precision glass, food processing, and a number of the four industry clusters mentioned earlier. It is apparent given the region's high unemployment that the District CEDS will have to focus on securing high technology jobs in a number of key sectors in order to sustain the growth and development of the economy and support the region's working population.

The rationale for defining goals and strategies is to promote the opportunities and strengths of the region and address its weaknesses and threats. The CEDS defines goals for the District that foster future growth and development in the region. A coordinated effort has begun in some sectors, notably technology and food processing. The goals include several short and long-term strategies for implementing them. These goals form the foundation and justification for the District's project priorities. They include:

1. Promoting Regional Workforce Cooperation. In coordination with county and municipal governments; workforce investment boards; and industry representatives, investments will be targeted that promote the expansion of a technically-skilled and qualified workforce that meets the demands of existing industries in the region and those that are being recruited.
2. Expanding Regional Markets. The CEDS promotes the expansion of markets for existing technology-based industries to ensure their development, retention, and competitiveness. In addition, new industries will be attracted that complement the existing industrial clusters and diversify the region's economic base.
3. Fostering Redevelopment Opportunities. Recognizing that there are redevelopment opportunities in the counties of the region, the CEDS encourages investments that foster downtown and urban revitalization; the redevelopment of brownfield sites; and the development of suitable publicly owned lands in order to ensure compatible development patterns with the region's environmentally sensitive lands.
4. Promoting Education and Training. A goal of the CEDS must be to promote an educational and training infrastructure that supports the existing retail, hospitality, arts, and cultural occupational clusters while providing additional technical training that offers opportunity for vertical career mobility.

5. Expanding Financial Resources. New sources of funding and delivery systems for financial resources are needed to encourage business expansion and reinvestment.
6. Improving Transportation. Investments are needed in the transportation network that is required by the growth in regional population, tourism, logistics and other key industries.
7. Enhancing Quality of Life. Supplementing the existing attractive quality of life with additional cultural, historical, environmental and educational opportunities is an important goal.

Strategy Adjustment

This FY 2015 Update to the South Jersey District CEDS encourages business development, job growth, and investments in economic sectors that promote the expansion of high technology research, development and manufacturing. These sectors might include the following:

- Agribusiness;
- Automotive Supplies and Services (affiliated with activities ancillary to the New Jersey Motorsports Park);
- Aviation;
- Food Processing;
- Precision and related Glass Manufacturing;
- Medical Supplies and Equipment;
- Solar and other Renewable Energy Components;
- Aquaculture and neutraceuticals.

The CEDS also seeks to “expand markets for technology-based industries” and increasing cooperation with regional Workforce Development Boards to “promote the expanded development of a technically skilled” workforce.

REGIONAL PRIORITIES AND PROJECT MODIFICATIONS

The Appendix to this CEDS includes an additional inventory of projects and initiatives. It also includes a listing of the New Jersey Key Industry Clusters which will help to guide the thematic development of industry and project priorities for the completely updated FY 2016 CEDS to be completed by the end of the 2016 calendar year. The project inventory contained in the FY 2013 CEDS is also appendicized by reference and is considered to be part of this document. To facilitate the preparation of the Addendum, each county was provided an opportunity to amend its list of projects to include new ones or to delete those that are no longer relevant. This is an ongoing process and the project inventory will continue to be revised. It will be a principal subject of upcoming County meetings with the general public, economic development stakeholders and other constituent groups.

The following pages provide modifications to those inventories, as provided in the FY 2014 Update and subsequent discussions this year with County Economic Development and Planning Staff. Each county is identified, with each of the specific modifications explained.

ATLANTIC COUNTY

Project Deletions: None

Project Additions: Atlantic County recently adopted a new *Economic Development Strategy and Action Plan* (September 2015) that outlines a number of broad policy goals and initiatives. Among the more prominent project possibilities are the following:

1. *Redevelop Bader Field.* Possibilities at this Atlantic City site could include various forms of sports entertainment, a World Trade Center, or entertainment/recreation venue.
2. *New Hotel and/or Hospitality and Entertainment Complex.* Plans as recently as 2010 were in place for a 20 story hotel and conference center at the site of the former Atlantic City Race Course. Hamilton Township officials are interested in some form of hospitality and entertainment complex.
3. *Route 40 Combined Purpose Projects.* Buena Vista Township currently has a project in planning to assist in the expansion of a privately owned produce warehouse and flash freeze facility. This project in conjunction with its railroad history and infrastructure could help to revitalize this rural community.
4. *Expansion and Investment at Atlantic City International Airport.* Atlantic City International Airport has 90 acres of developable property that are ideal for an aircraft intermediate maintenance facility, a dedicated air cargo hub, and/or a base for an international air carrier. Encouraging one or a combination of the aforementioned uses requires infrastructure improvements in the form of taxiways and possible additional air hanger facilities. Attraction of private sector concerns that bring high paying employment opportunities is severely challenged by this dearth of necessary infrastructure support.
5. *Expansion of the Federal Aviation Administration's William J. Hughes Technical Center.* New infrastructure investments and a public/private spec building that could include a 15,000 s.f. incubator for the development of aviation and aeronautics technology are being explored at this FAA Facility.
6. *New Interchange along Atlantic City Expressway.* A dedicated connector from the Atlantic City Expressway directly to the Atlantic City International Airport (ACY), would allow expedited access to Philadelphia and Atlantic City and all points in between. It is estimated that direct access from the Atlantic City Expressway to the Atlantic City International Airport will trim 10 minutes from non-peak commutes to Philadelphia and up to 20 minutes during peak commuter periods around ACY. Previous plans and proposals have addressed this capital improvement, but the lack of available financial resources continually impedes the proposal's progress.
7. *Additional Atlantic County Projects.* There are also other projects which impact Atlantic City and other Atlantic County municipalities which can be found in the Appendix to this document. They include infrastructure, hospitality, highway, and tourism related

projects that are integral to the recovery of the Atlantic City economy and the growth and development of Atlantic County and its member municipalities.

CAPE MAY COUNTY

Project Deletions: Cape May City Convention Hall

In addition, Cape May County wishes to reprioritize the project inventory that was prepared in 2010-11 as follows:

1. Cape May County Airport Redevelopment Project
2. Multifunctional Visitor Centers Project/Countywide Wayfinding Signage
3. Greater Wildwood Redevelopment Project
4. Eco-Tourism/Recreation Enhancements
5. Countywide Agriculture/Aquaculture Enhancements
6. Cape May Transportation Corridors Project
7. North Wildwood Infrastructure Support Project
8. Woodbine Airport Business Park & Downtown Redevelopment Project

Project Additions: There are some new projects identified and modifications to project descriptions, as originally described. These projects are as follows:

New Projects

Eco-Tourism / Recreation Enhancements. Focusing on yet additional features unique to this area, the County is facilitating the creation of physical links and marketing networks to increase awareness and utilization of its ecotourism resources, including but not limited to local, county, state, federal and private lands devoted to wildlife-dependent, open space, and/or recreational purposes. Ecotourism brings millions of dollars into the County annually, and generates jobs and good will among visitors and residents alike who enjoy the area's vast offerings in birding and other wildlife preserves, walking trails, nature trails and bikeways.

County-wide Agriculture / Aquaculture Enhancements. The County is working to capitalize on unique geographic, topographical and soils features, as well as existing facilities and industries, to create new and expanded niche markets related to agriculture and aquaculture. In the Commercial Fishing, Oystering, and Farming industries, for example, this will include activity such as exploration of the potential for centralized refrigeration, packing and processing of locally grown and/or caught products. Enhancements also will be considered for existing facilities at the Aquaculture Innovation Center in Lower Township, the Aquaculture Development Zone in Middle Township, and numerous wineries throughout the county. A niche market for local brewery and distillery products also appears to have significant potential.

Project Modifications

Cape May County Transportation Corridors Project. Cape May County is a peninsula serviced by three North-South vehicular transportation corridors: the Garden State Parkway, Route 9, and Route 47. The Parkway and Route 9 run on parallel tracks on the eastern side of the County leading up to Atlantic County, while the Route 47 corridor is located on the western side of the County, leading northwesterly to Cumberland County. Heavy summertime reliance on these roadways is problematic, as is the potential for overuse during emergency events that would warrant evacuation of the County.

Route 47 regularly experiences congestion due to inadequate roadway capacity, and the alternative of extending Route 55 down into Cape May County has been proposed and evaluated for decades. In 2009, the South Jersey Transportation Authority (SJTA) publicly expressed interest in facilitating completion of the roadway. The extension of this major highway into our County would dramatically decrease tourism-related traffic congestion and would facilitate emergency evacuation of the area.

Preservation and enhancement of non-traditional transportation modes and corridors also is key to the County's economic health and vitality. As an example, the regular maintenance of the Intracoastal Waterway (ICW) would preserve a key resource for Commercial Fishing, our second largest industry. Development of non-traditional alternatives such as bicycle/pedestrian facilities and rail corridors also is important to ease roadway congestion and further economic development. Most recently, the County has applied for funding to develop and enhance bikeways near the Cape May Ferry (thereby facilitating public access to a major transportation channel) and to the Cape May National Wildlife Refuge site at Two Mile Beach in Lower Township. These and additional bikeway projects pending in several local municipalities have brought the prospect of a linked, county-wide bikeway system within reach.

Cape May County Airport Redevelopment Project. Almost 1,000 acres in size, this prime economic development site includes both a viable airport and an industrial park that currently houses several small employers, with potential for many more. The most recent Airport Master Plan identifies infrastructure improvements necessary to expand the economic potential of this facility, and the Delaware River & Bay Authority's role in leasing and operating a large part of the site also could potentially enhance its economic viability. Targeted projects include extension of the runway to accommodate additional classes of airplanes, new buildings for air-related and non-related uses and events, and the upgrade of public infrastructure. The Airport's exclusion from review under the Coastal Area Facilities Review Act enhances its desirability as a location for new development. Of the existing buildings at the site, the expansive vacant "Everlon Building" (which the County owns) has been identified as a potential candidate for redevelopment. Adaptive reuses such as public facilities, recreation, and/or light manufacturing or food processing will be explored. Another building at the site, the Historic Naval Air Station Wildwood, is a state and federally-recognized historic site and is host to an aeronautic historical museum. Grant funds will be sought to facilitate site upgrades and accessibility to this project of great economic promise.

UAS Technology and Test Facility. Cape May County Airport has secured approval to be a host site for test flights of Unmanned Aerial System aircraft (UAS), which can facilitate a substantial investment in the County's aviation industry. Such testing can be a catalyst in new investments in manufacturing, design, navigation, and related aviation technologies. In addition the County is conducting a series of UAS Innovation Forums to engage entrepreneurial activity related to the industry and encourage location of research and development facilities and offices at the airport.

Multifunctional Visitor Centers Project /County-Wide Wayfinding Signage. An enhanced, strategic network of information centers and visitor facilities is needed along major access roads, to inform travelers of the available resources, businesses, and attractions in our region. For example, Route 47 and the Garden State Parkway are major North-South corridors leading to and from the County, but Route 47 is in dire need of an information center and comfort station and the Parkway's rest stop, in need of numerous major improvements, does not even have a food vendor on site. The County, the South Jersey Economic Development District, and regional cooperative tourism groups such as the Cape May County Chamber of Commerce all have indicated that they intend to work together to provide information centers and to coordinate information services and materials.

To complement the new facilities, a network of improved directional signage is needed to facilitate safe and efficient transportation patterns and to enhance access to the wealth of historic, ecological and cultural sites throughout Cape May County and the Southern Shore Region. Wayfaring signage is being installed throughout the County to provide better linkages between vital community facilities and attractions. Clear, visible and consistently-themed signage will facilitate both roadway and intermodal transportation networks.

Greater Wildwood Redevelopment Project. The Wildwoods have worked hard collectively to make improvements that will continue to enhance the quality of life in the community and the amenities available to visitors. With the opening of the Wildwoods Convention Center in 2000, and the continued successes of the Wildwoods Urban Enterprise Zone, the redevelopment of the Wildwoods continues to move forward. Key elements of the "Wildwoods 2015" Visioning plan include infrastructure improvements city-wide, including roadway/streetscape improvements, Public Restroom Facilities Renovation/Expansion, and enhancement of the City's Gateway. The County is expending significant focus, time and effort on the Gateway initiative, which will have wide impact on transportation, tourism and economic development for the Island communities and the County at large. In order to support the Convention Center and the tourism industry in general, the City created an overlay district adjacent to the Boardwalk for 25-story "condo-hotels." Collectively, these projects will enhance the local economy and will serve to create jobs in the City and nearby communities.

Other key elements of the redevelopment plan include construction of a public parking garage in the commercial district and continued rehabilitation of the Boardwalk, which is host to several hundred businesses including large amusement piers.

North Wildwood Infrastructure Support Project. Continued infrastructure rehabilitation by the City of North Wildwood and the County has provided an impetus for additional private

investment in the area. Streetscape and façade improvement projects are being planned that will enhance the necessary infrastructure improvements. In addition, the aged sewer infrastructure is in serious need of replacement to avoid any negative impact on the City's tourism-related economic driver. Over the past several years, the City has replaced more than 70 blocks of old leaking water lines with the help of Clean Water Act Funding. Additional funding is being sought to complement that investment and to secure the City's present and future infrastructure systems throughout the community. Needed improvements include upgrading public facilities and rehabilitating/reconstructing seawalls and other shore protection elements. In addition, improvements to the downtown business district are planned, which will include streetscaping, parking, intermodal transportation links, and signage.

CUMBERLAND COUNTY

Project Deletions: None

Project Additions:

Cumberland County Arts & Business Innovation Center. The Cumberland County Improvement Authority in partnership with the Cumberland County College and the Millville Urban Redevelopment Corporation is facilitating the development of a \$7 million dollar facility developed in Millville's Glasstown Arts District that will house educational, retail, job training, and entrepreneurial development services to promote arts, business, and industrial expansion in the City and throughout the region. The project will bring needed new jobs, job training, and entrepreneurial opportunities to the County and region.

Expansion of the Florida Avenue Industrial Park and Food Innovation Research and Extension Center. The Rutgers University Food Innovation Research & Extension Center (FIRE) is located in Bridgeton at the Florida Avenue Industrial Park. To date, businesses that have been incubated and graduate from the FIRE Center have left Cumberland County for other locations, and there is a real desire on the part of the County to be able to provide attractive space for these new business start-ups. The Cumberland County Improvement Authority in partnership with Rutgers University is proposing the development of a "Food Commercialization Center" which will provide the needed space and facilities. A feasibility study to define the specific space, infrastructure and service needs is underway now.

Vineland Industrial Park West. The City of Vineland is exploring land along Almond Road and Orchard Road, both of which are proximate to NJ Route 55, to expand its industrial park space. These tracts of land were previously occupied by the Vineland Developmental Center and the Vineland Fireworks Company. There are also smaller tracts of land in the vicinity that could be combined to enlarge the proposed Vineland Industrial Park West. The City's current industrial park space is virtually full, leaving little fully serviced lots to provide to new investors.

Ferracute Industrial Site Redevelopment. The City of Bridgeton wants to redevelop the Ferracute Industrial Site, which is located at 429 E. Commerce Street in close proximity to NJ Route 49, a major east west highway through the City. Agri-Global, a Marlton-based firm

would like to develop an aquaculture and hydroponics facility that would center on fish farming, hydroponic farming for aquatic plants, processing, distribution and the creation of nearly 100 full-time jobs at full capacity.

The Ferracute site is an historic industrial property dating back to the founding of the Ferracute Machine Company by Oberlin Smith, a pioneer in magnetic recording and colleague of Thomas Edison. Eventually, as the company grew and expanded, it manufactured a range of machinery that was used in the early part of the 20th Century by some of the most prominent American industries at the time, including Ford Motor Company, Chrysler, Baldwin Locomotive Works and General Electric.

The redevelopment of this site would not only represent a tremendous investment in the City and Regional economies, but would also foster the renovation and conservation of one of the City's premier historic sites.

SALEM COUNTY

Project Deletions: None

Project Additions:

Salem County Rail Rehabilitation. Salem County has approximately 18 miles of rail line, running from Swedesboro south to the Port of Salem. Much of this line is or has been repaired through grants from New Jersey and U.S. DOT (TIGER Funds.) Approximately 4 miles of rail remain to be rehabilitated and need funding for reconstruction. The improvement of this corridor will allow the County to take greater advantage of the Salem Port; improve shipping and transportation options for existing businesses and industries along the rail line; and make it more attractive for new industries to invest in the City of Salem and at other locations along the rail corridor.

Spitfire Aerodrome Revitalization. Salem County in conjunction with Oldmans Township have begun the investigation needed leading to acquisition and expansion of this general aviation airport in Oldmans Township. The airport is the sole remaining hard surface runway facility in Salem County and strategically placed near major industrial parks. The initial goal is to preserve the airport, and through funding, expand the runway and rebuild the existing infrastructure.

Pennsville/Wilson Line Pier. Effort to reconstruct the historic Wilson Line pier into the Delaware River at Pennsville are the focus of the Township and County. Initial design and feasibility studies are underway and talks with Delaware and DRBA officials on tourism related opportunities have occurred. In addition, preliminary environmental agency meetings have established the permit and approval pathways to construction.

Port of Salem Revitalization. The Port of Salem is in need of new infrastructure, including rail sidings, bulkheading, and transloading facilities. New capital investments will enable the Port to compete more effectively with other ports along the Delaware Bay and within the New Jersey Marine Highway system. In addition, revitalization of the rail corridor will

provide the Port of Salem with a direct, intermodal link to rail freight services throughout the region and nation. This linkage will greatly enhance the viability of the port and enable existing and new businesses to expand their options for shipping and distribution.

Salem Economic Development Action Agenda. Salem County is pursuing an Economic Development Action Agenda to adjust for economic dislocations and reposition the County for economic growth. The Action Agenda anticipates: developing a five year action agenda that outlines specific tasks, partnerships and funding sources needed to address the goals of the County; attracts new investment; and spurs new job creation. The Action Strategy will look to create marketing materials, conceptual site designs, and other tools to implement the goals and facilitate investor interest in the County's development and redevelopment opportunities.

For more information on the detailed goals, strategies and projects of interest to each of the District's four member counties, see the following:

Atlantic County: Economic Development Strategy and Action Agenda, 2015

www.aclink.org/pdf/Atlantic-County-SR-Final-092115.pdf

Cape May County: Comprehensive Plan

capemaycountynj.gov/DocumentCenter/View/422

Cumberland County: Economic Development Strategy, 2010

www.co.cumberland.nj.us/.../Cumberland_County_Economic_Development_Plan_2010-1.pdf

Salem County: Economic Development Strategic Plan, 2014-2017

www.salemcountynj.gov/...em-County-Economic-Development-Strategic-Plan-2014-2017.pdf

IMPLEMENTATION AND EVALUATION STRATEGIES

NEAR-TERM DISTRICT OBJECTIVES FOR 2016

As indicated in various portions of this document, the South Jersey Economic Development District has undergone a significant reorganization. This reorganization involves changes in how the District is administered; ways that projects are identified and advanced; and strategies for public outreach and involvement.

One of the principal efforts of the District is to completely revise its CEDS to create a new five-year document. Over the coming 10 months, the District intends to initiate a number of significant steps in order to development a new plan and build on the reorganization that has been underway. These steps include the following:

CEDS Amendments

1. Adoption of an Interim Document. This Annual Update to the CEDS was reviewed and adopted by the South Jersey Economic Development District Board at its meeting in March 2016 and sent to the U.S. EDA, Philadelphia Regional Office.
2. Initiate New CEDS Development. The District recognizes that this is an interim document and that a new CEDS will have to be developed. The new CEDS should include:
 - The formation of a CEDS Advisory Committee to assist the District Board in preparation and review of the document;
 - A broad-based public outreach effort to ensure the involvement of a good cross-section of the region's population, in particular the engagement of minority and hard to reach populations;
 - A timeline and series of benchmarks for evaluating and measuring the thematic economic development policies ultimately defined and adopted as part of the new CEDS.
3. Expand Funding and Resource Development Process. Recognizing that the U.S. EDA cannot meet all of the project funding needs outlined in the CEDS, the District will collaborate with a range of State, Federal and local partners to identify and advance shared project goals and development objectives, as part of the regional CEDS strategy. This will complement the more thematic approach to growth and development throughout the South Jersey Region.

Revise and Affirm District Bylaws/Guidelines. Given that there were a number of administrative issues that the District has been involved in reviewing and correcting, there will be ongoing reviews of District protocol to ensure that there is no repetition of past oversights. It is the ongoing intent of the District to have in place all necessary revisions to bylaws, guidelines, and administrative policies necessary to ensure the appropriate operation of the District and service to its member counties and municipalities.

Advance Project Development. It is the goal of the District to move a minimum of one (1) development project per quarter to the U.S. EDA for funding. Ideally, this will be on a rotating basis to ensure that each member county has an opportunity to advance ready projects.

CEDS EVALUATION

This CEDS Update provides a comprehensive overview of the South Jersey Region’s existing economic and demographic characteristics; a thorough SWOT Analysis that defines both assets and regional deficiencies; an examination of economic clusters and the unique, regional attributes on which development and redevelopment strategies and actions can be built. Once adopted, the CEDS must be reviewed on a regular basis to ensure that it is a relevant and “living” plan – one that is used by the South Jersey Economic Development District Board and the District’s member counties and municipalities.

This Evaluation Framework is built around the U.S. EDA’s “Peer Standards of Excellence” for Economic Development Districts. There are seven (7) standards that represent performance criteria for District CEDS. Each of these criteria is identified (in an abbreviated fashion) and evaluation metrics that relate directly to the Strategy’s principal goals are defined.

From this evaluation framework, the Board of the South Jersey Economic Development District will gauge the success of the CEDS every six months at its regular Board Meetings. The Director of the District will assemble an Implementation Report for presentation to the Board that tracks evaluation and focuses on the District’s priorities. Copies of these reports and an “Annual Report on CEDS Implementation” in the South Jersey District will be provided to the U.S. EDA and placed on the SJEDD website.

CEDS STANDARDS OF EXCELLENCE AND EVALUATION CRITERIA

Build more resilient economies and communities.

This CEDS has identified a number of regional strategies for economic growth, based on the region’s strengths and asset base. These include building on the area’s tourism and ecotourism economy; expanding the tradition of agriculture and food processing to focus on wine production and aquaculture; expanding health services and employment; investing in various aspects of aeronautics; and promoting small business development and retention. The following metrics will be used to measure success.

Metrics

- Use the annual New Jersey Economic Impact of Tourism to measure the performance of each of the region's four counties and the SJEDD Region as a whole.
- Track the number of new food production facilities in the region and plot them using a GIS-based map that provides information on ownership, address, numbers of employees, and type of business
- Prepare an annual report on health care services and employment that illustrate the locations of any new or expanded health care facilities
- Identify the locations of new investments in aeronautics, indicating business name and employment figures
- Use annually released ESRI data to track the numbers of business establishments and employment by industry sector, county, and regional totals and contrast their percentages to the State as a whole
- Document changes in the annualized labor force and unemployment rates by County, as prepared by the New Jersey Department of Labor & Workforce Development

1. Foster a regional, collaborative framework.

While the CEDS is an excellent tool through which to promote a regional, economic development agenda, each of the four counties of the SJEDD and many of the larger municipalities play obvious roles in the day-to-day work of development and redevelopment. Coordination of public investments and the efforts of philanthropic organizations are critical to advancing the goals of the CEDS. These efforts will be tracked and measured annually as follows.

Metrics

- Report to the SJEDD Board on the regional coordination of public investment strategies by convening quarterly meetings of county and municipal economic development directors to track investment initiatives
- Develop an inventory of regional grant and foundation awards that will be presented to the SJEDD Board, and suggest modifications to the CEDS Implementation Framework to take advantage of and build on regional successes and initiatives.

2. Use evidence based and factual information.

There is considerable information available locally and regionally that is not compiled in any strategic way to measure economic performance. The CEDS recommends a number of different approaches to assemble these data more effectively. The following metrics will be used to track these data.

Metrics

- Present an annual summary of Regional Assessed Valuations to the SJEDD Board along with trend lines as they are established
- Assemble other metrics as outlined in this narrative that reflect demographic change or enhancements to quality of life and include them in the Annual Report on CEDS Implementation including the following data:
 - Annual population change, per U.S. Census ACS
 - Number of One Stop Career Graduates annually by County and Career Training Program
- Report on numbers and types of grants secured by the SJEDD
- Report on Technical Assistance efforts by the SJEDD

3. Transform the CEDS into a strategy driven planning process

This CEDS Annual Update is a strategically driven document. It identifies four cluster-based industrial sectors around which regional growth and development are encouraged. It sets priorities within the context of a publicly vetted and community driven process, and provides very specific actions, summarized in the Regional Implementation Matrix that can be tracked and measured. Evaluation metrics are as follows.

Metrics

- Use the CEDS Implementation Matrix to track the steps toward strategically-driven growth and development and include progress in the Annual Report on CEDS Implementation
- Present suggested amendments to the CEDS annually to the SJEDD Board to take advantage of new trends, developments, and changes in the region's asset base to more effectively channel growth and development

4. Promote and support peer reviews

Too often, plans of any kind get placed on shelves and forgotten. This CEDS will be different. The South Jersey Economic Development District Board is committed to using the CEDS as a regional guide to development; amending it regularly to address changing needs and opportunities; and tracking its implementation using the metrics outlined here and through regular peer reviews.

Metrics

- Regional agencies and organizations not represented on the South Jersey Economic Development District Board will be invited to the annual, year-end meeting of the District to discuss regional initiatives and provide suggestions on ways to partner and expand the impact of the CEDS. Comments will be received, recorded, evaluated, and acted-on as needed by the District Board.
- Request and report on review and comment from the general public through the District's website.
- Amend the CEDS annually to reflect suggestions as merited from outside organizations or partners not specifically involved with the SJEDD Board; Track and report edits to Board.

5. Broaden communication to include print, online media and social media.

This CEDS recognizes the importance of young people to the growth and development of the region. It also recognizes that young people do not access information in traditional ways, using newspapers or even internet services. The CEDS suggests broadening the means of access to residents of the region to enhance communication with as many constituents as possible.

Metrics

- Comments received on social media will be recorded and tracked
- Hits on the District Website will be monitored and recorded to register trends in the CEDS and the economic development actions proposed
- Articles and press releases documenting initiatives and successes of the District will be compiled and included as an addendum in the District Annual Report

6. Engage the public and stakeholders

The CEDS was developed in a collaborative fashion, through a representative task force and with the help of member counties, municipalities and other organizations. But, if the CEDS is to be a living document and one that reflects the ongoing interests of the District and adapts to changing environment and opportunities, then the ongoing participation of the public and interested stakeholders must be integral to the process. This participation will be measured by the following.

Metrics

- Tracking and recording engagements as noted in this Section
- Phone calls from interested parties

SUMMARY

The South Jersey Economic Development District is committed to ensuring that the CEDS is a document that unites the region in a collaborative and coordinated effort to build a better quality of life for its residents and a more prosperous economy. The District and its partners are positioned to invest a considerable amount of staff time and local resources in tracking the implementation of the CEDS and measuring its success.

The Board of the District has provided considerable oversight in the development of the CEDS and is strongly supportive of an aggressive and proactive approach to building “Ladders of Opportunity” for the business community, residents of the region, and other stakeholders. This commitment to leadership and a renewed sense of purpose is evident in the detailed timeline and approach to strategic implementation outlined in the matrix that is part of this plan.

As a united board and in partnership with its member counties and municipalities, the South Jersey Economic Development District is on a new and exciting trajectory for growth and development.

Section 5

DOCUMENTING AND FOSTERING RESILIENCY

Resilience: the ability to recover quickly from change or misfortune. The American Heritage Dictionary.

Change is inevitable. Both the regional and national economies expand and contract regularly. Demographic change often influences the course of events. Regulatory, political or other governmental actions can impact a region's growth and development. Natural or environmental phenomena can also affect even the best plans and alter their outcomes. The CEDS must therefore anticipate those possibilities and define strategies to ensure that the region will be able to sustain a successful CEDS Agenda in light of unanticipated circumstances.

This section of the CEDS examines three areas of public policy that can promote resilience and various courses of action that anticipate and attempt to formulate change that is sustainable. They include: Governmental, Environmental and Economic Policies.

Governmental Policy

Promoting Effective Land Use and Regulatory Policies. New Jersey is a heavily regulated State. Regulatory issues are often cited as reasons why businesses do not want to locate here. While the South Jersey Economic Development District cannot play a direct role in mitigating the regulatory process, it can be an advocate for both streamlining regulation and fostering greater intergovernmental coordination of regulatory policy. For example, the need to identify and possibly acquire land throughout the region for future economic development is one area where the District can be an advocate. With so much of the region devoted to environmental conservation and land preservation, the District should work with its member counties to target lands for redevelopment, or locations outside the critical environmental areas where infrastructure investments can be made and where new business development can occur. Otherwise, these locations will be consumed by residential or other uses. District staff can also provide help to developers in the role of an Ombudsman to help shepherd developers and investors through the maze of contacts, resources, and economic opportunities that exist throughout the region. Acting proactively to channel regional issues and concerns to state agencies, legislators and other organizations that can impact regulatory or land use policy is also a constructive role that the District can play to promote a more business friendly, South Jersey environment.

Coordinating Services and Resources. One of the principal missions of the CEDS is to focus on industry clusters and economic development priorities where the services and resources of multiple agencies and stakeholders can be invested to promote positive change. There are a number of ways this can occur.

- Regular meetings of County Development Directors. By sharing information regularly, District project priorities can be coordinated with local or county-level initiatives.
- Prescriptive Prioritization of Projects. Historically, the District has funded projects based on which project sponsor was in line for funding. The District Board may want to consider funding projects based on their ability to demonstrate a regional impact, augment a priority industry cluster, or build on other projects, programs and initiatives.
- Aggressive Approach to Grant Funding and Financing. The District has been a conduit to many State, Federal and non-profit grants, but historically has been limited in its ability to implement them. The District may want to consider developing a consortium of county, municipal and private sector support for grant writing and implementation that would allow the District to pursue aggressively, the formulation and implementation of grants that would augment priority regional goals.

Fostering a More Aggressive State Based Approach to Redevelopment. The New Jersey State Development and Redevelopment Plan was adopted in 1992. The purpose of the plan was to define areas for managed growth while protecting the State's critical natural resources. State agencies have been effective in coordinating preservation policy, but not very effective in channeling needed resources to areas of the State where economic distress and the need for redevelopment is paramount.

- Dialogue with Key Agencies. The SJEDD should open a dialogue with key State agencies such as the Department of State, NJDCA and NJEDA to make them aware of the development and redevelopment needs that are so important to the region, and working with them to target new development and funding opportunities.
- Private Sector Consortium. The public sector alone cannot assume full responsibility for promoting the region as a place to do business. The private sector needs to be more effectively engaged – particularly some of the large companies and organizations – to put pressure on state and federal agencies to channel the technical, financial and other resources needed to redevelop the distressed cities and towns across the region.

Expanding Intergovernmental Partnerships. Aside from the bricks and mortar development projects that the District can help fund or promote, there are other aspects of economic development that have a direct bearing on future growth but are outside the immediate purview of the District. Issues involving workforce development, transportation, housing opportunity, and quality of life will all affect the region's ability to attract development. The District can influence initiatives and investments regarding these issues as follows.

- WDB Engagement. Each of the four South Jersey counties has a Workforce Development Board (WDB, formerly Workforce Investment Board or WIB) that coordinates investments in labor force training and education. The plans and programs of these agencies need to be tailored to the regional needs and priorities

outlined in the CEDS. Staff of the SJEDD should meet annually with WDB leadership to ensure that investments are coordinated and that schools, colleges and other educational and training institutions throughout the region are aware of the economic opportunities being promoted by the District.

- Regional Transportation Investment. The SJEDD is located in the same office as the South Jersey Transportation Planning Organization, SJTPO. This makes it easy to work closely with SJTPO staff to coordinate transportation investments with the development priorities of the District. Together, the District and the SJTPO can be a very effective force for transportation investments outside the immediate region that will have a positive economic impact. For example, the District should continue to be an advocate for the extension of a light rail system to Glassboro. While this is not in the District itself, the impact of a light rail system would expand development opportunities in the District and relieve traffic congestion on area highways.
- Promoting Sound Housing Policy. The availability of good housing, a variety of housing options, and access to affordable housing are all important to the growth and development of the region. Working with counties and municipalities to ensure that housing development does not conflict with locations for economic investment and promoting the location of new housing in communities where redevelopment needs are critical are roles that the District can play.
- Helping to Coordinate and Fund QOL Initiatives. Historically, the SJEDD has helped its member constituents seek grant opportunities to build parks, protect open space, develop bike and hiking trails, and invest in other initiatives that will enhance the quality of life for regional residents. In ways that do not overtax the ability of the District to perform this role, this assistance to local governments remains a valuable service and one that can also advance a sustainable development policy.

Environmental Policy

Mitigating the Affect of Sea Level Rise. Rising sea level is a reality regardless to what it might be attributable. Coastal communities in the South Jersey Region need to plan for changes in water levels and more frequent, property damaging storm surges and back bay flooding. There are a number of actions that the SJEDD can take to help ensure greater resiliency throughout the coastal region.

- Promote wetlands protection. Wetlands are nature's sponge and will absorb tidal and storm surges when left undisturbed.
- Work with NJDCA to replicate Superstorm Sandy project design. Post Sandy recovery funding requires elevating homes and businesses; making modifications to structural design to withstand potential wind damage; and where possible, developing outside the storm zone. SJEDD can be a conduit for information that aids developers and communities more effectively design and plan for land uses.
- Help target funding for beach replenishment and storm surge barriers. Beaches and dunes provide natural barriers to storm surges and rising tides. Funding to ensure that the height of dunes is increased and that beaches are restored needs to be a high regional, State and Federal funding priority. Recent storm flooding has also highlighted the need for bayside flood control initiatives.

- Pumping and flood mitigation measures. FEMA provides funding for pump stations that can provide ongoing relief in communities where flooding barriers have been breached. Well placed pump stations can mitigate flooding impacts and provide additional resiliency.

Promoting Natural Resource Protection. Encouraging additional public or non-profit conservation ownership of coastal areas will diminish the potential for development in areas where coastal storm damage is likely.

Advancing Brownfield Clean-up and Redevelopment. Cleaning and restoring brownfield properties is not only good environmental policy. It also provides new developable space in a region that has limited options for large scale commercial or industrial uses.

Economic Policy

Marketing Approach. The District should work with its member counties, municipalities, and state agencies to promote the area as a place to visit, start a business, live and work.

- Grant Funding. The District should work with tourism and marketing partners to promote opportunities in the region.
- Website Development. The District website should be expanded to include links to regional business & industry resources, tourism contacts, and other development interests.
- Business Retention. Attracting new business to the region is not the only way to create a more resilient economy. Retaining business and encouraging local expansion is critically important.

Infrastructure. New investments to expand and improve infrastructure are essential in diversifying the regional economy and ensuring that the region can break the cycle of seasonal employment. New infrastructure will also make the area more attractive to prospective businesses seeking transportation, communication and other linkages to the greater region.

- Rail. Underused or abandoned rail corridors should be protected for future rail use and not turned into bike or hiking trails or otherwise lost to other types of development.
- Roads. The southern New Jersey Region has historically been isolated from the rest of the State and the greater Philadelphia area by a lack of four lane or interstate highways. Lands at highway interchanges that are suitable for industrial and business development need to be zoned appropriately so as not to be used for residential, small strip commercial, or other development.
- Broadband and Internet. Almost as important as any other type of infrastructure that provides access, good broadband and internet service is essential. The region needs to identify gaps, particularly around key clusters of existing or potential development, and ensure that service is provided.
- Sewer and Water. One of the most common EDA grants involves funding for the installation or extension of sewer and water infrastructure. Again, an expansion of

this service means opening up key sites for needed industrial and commercial development.

Diversification. Diversification of the regional economy is essential to moderate the spike in seasonal unemployment and to ensure that workers throughout the area gain access to good, family-wage jobs. The targeted industry clusters and the investments in new businesses as outlined in this CEDS will promote that diversification.

SUMMARY

Certainly, all of these policies cannot be implemented at once. But each of them helps to promote the resiliency of the region and foster greater economic sustainability. Recovery from a natural disaster or from an economic recession depends on the regional economy being broad based; one that is expanding and growing; and one that is nimble and not constricted by land use issues, over-regulation, or a top heavy bureaucracy.

This CEDS provides a road map for ensuring resiliency. In the project priorities, the implementation strategy and the policies outlined in this section, the region's economy will gain the traction it needs to prosper and provide a good quality of life and business environment for its citizens and future investors.

Next Steps

As the FY 2015 Annual Update, this CEDS also provides the framework for a completely revised and new CEDS that is forthcoming later in the year. This document has provided a new database for policies and programs. It includes a new look at the region's Strengths, Weaknesses, Opportunities and Threats. It encompasses new projects for the region's four counties and includes substantial new sections on evaluation and resiliency.

The next step in the District's planning effort is to conduct a comprehensive outreach of the four member counties to assess common development themes and begin to build a regional development framework that focuses on priority projects and initiatives.

In other words, the District has constructed a new foundation for the CEDS. And, it has charted a course for evaluating ongoing programs and policies and sustaining regional growth. The principal element remaining in the planning process is to build the thematic-based regional development strategy that defines a strong, collaboratively generated inventory of projects, programs and other initiatives that will support the work of the District in the coming five years.

The South Jersey Economic Development District has new leadership and a new approach to regionally based programs and policies. This Annual Update is a major step forward in reshaping the District's approach to economic development. With the help of the EDA, member counties and the citizens of the South Jersey Region, this CEDS and the more comprehensive document to follow will chart a bold new path for regional investment and prosperity.

**SJEDD CEDS
FY 2015 UPDATE**

TAB 2

APPENDIX A

Additional Atlantic County Projects



ATLANTIC CITY

Gateway and Riverside Business Park

Riverside Business Park is an eleven acre waterfront parcel of vacant land fully owned by the City of Atlantic City. The gateway site is located at the US Route 30 entrance to the City, between East Riverside Drive and Grammercy Avenue. The City has assembled this property and secured environmental permits over the past four years. The only Business Park available on Absecon Island, the Park provides an excellent location to provide for new devised employment opportunities in a City environment. A total of 200 jobs are expected to be created by the development of this site. Located on U.S. Route 30, this site provides excellent access. The site has been designated a redevelopment area pursuant to the Local Redevelopment & Housing Law. The City is working with NJEDA, NJDCA and the ACIA to attract an appropriate developer to this site. USEPA funds may help to leverage needed infrastructures to complete site development.

Atlantic City Boardwalk

The world renowned Atlantic City Boardwalk provides pedestrian and bicycle access from the Inlet section of the City to the down beach communities of Ventnor and Margate. The City has secured millions in grant funds from the Army Corps of Engineers, New Jersey Economic Development Authority, New Jersey Department of Environment Protection, New Jersey Department of Community Affairs and FEMA to renovate the Boardwalk to make it more resilient and to extend it for the first time to Historic Gardner's Basin. USEPA funds may be needed to support additional infrastructure enhancements to support employment generating development along this 2 ½ mile asset. Funding may also be applied to leverage new business opportunities along the famed Boardwalk.

CCC/Stockton Expansion

The City of Atlantic City strongly supports the growth and expansion of higher education. A variety of opportunities are being explored by the two local colleges which already operate in Atlantic City, Atlantic Cape Community College and Stockton State College. Opportunities include a four-year college campus, medical school, Center of Excellence for Seniors, Culinary School and Hospitality Management School. USED funding has been used to support expansion of the Atlantic Cape Community College campus in Mays Landing. A variety of funding will be needed to support this effort including USED support.

Gateway and Atlantic City Corridor Project

The Atlantic City Corridor Development is located at the terminus of the Atlantic City Expressway, the major access road into the City. With sales per square foot exceeding expectations and over 10 retailers already located at Tanger Outlet's The Walk continued development in this area to leverage this success is being considered. The Arts District forms the south boundary of The Walk, the Casino District is to the East and the Eds and Meds District and Downtown Atlantic City is to the north. All these areas have the potential to build upon the success of The Walk and create new employment opportunities. The Walk

is visited by visitors and residents alike and includes retail, and restaurants and is located along Atlantic City's entranceway corridor between the boardwalk and the Atlantic City Convention Center. The project includes merchants such as Tommy Hilfiger, Polo Ralph Lauren, Kenneth Cole, Brooks Brothers, Liz Claiborne, Casual Comer, Coach, Maidenfonn, Geoffrey Beene, Bass, Van Heusen, Nautical, Timberland, Reebok, Guess, Jockey, and several restaurants. The CRDA has continued to assemble land around The Walk to prepare for future development which may require USEDA funding assistance.

Government Services Center

The City and County office building, County Civil Court House and various office buildings are clustered in the Government Services Center located between North New York Avenue and North Pennsylvania Avenue. A significant number of offices are clustered in this area and the potential exists for additional office space. The City is actively marketing a return to Atlantic City campaign to encourage professionals to work, live and play in the City. Two office building are already planned for this area which, if realized, would strengthen the local economy and create new non-casino employment opportunities in the City. USEDA support for these projects may be requested.

Historic Gardner's Basin Expansion and Redevelopment

The City of Atlantic City owns this ten acre waterfront park which supports two restaurants, shopped, a public marina and the Atlantic City Marina. A major restaurant at the Basin, Scales, was totally destroyed by Superstorm Sandy. The City planned to obtain additional acreage to make this location a world class destination. Historic Gardner's Basin is already the most visited non-casino attraction in Atlantic City. The expanded Park can support an enhanced Aquarium, potentially the Marina Mammal Standing Center, marine science facilities, restaurants, shoppes, water taxis, cruise vessels and a variety of other attractions. The City has been awarded a NJDCA grant to fund the planning for this site. USEP A funds may be used to enhance the resiliency of this area, provide infrastructure or support marine education facilities.

Downtown Atlantic City

Downtown Atlantic City extends along Atlantic Avenue from Mississippi Avenue to South Carolina Avenue. This ten block area connects Tanger Outlets The Walk to Government Services Center. USDOT funding is being pursued to enhance this area. NJDOT, Casino Reinvestment Development Authority and Atlantic Colli1ty Improvement Authority have already been dedicated to streetscape improvements, new traffic signals, façade improvements and apartment renovations. USEP A funding may be needed to support infrastructure and higher education facilities and/or office expansion.

Marine Industrial Park

The commercial clamming and fishing industries are an important segment of Atlantic City's economy. Of course the waterfront characteristics of the region are naturally conducive to these activities. From the small, single boat, back-bay clammers, to the

operations of large fleet surf vessels, an opportunity exists to cultivate the industry and assist in the industry's growth and regional impact.

The Marine Industrial Park Project will have three main elements that will serve as anchors and catalysts stimulating the expansion of the activities and impact of the industry.

The first element will be a clam/shellfish processing facility. Along with other operations, Atlantic City is the home port of the largest surf clamming fleet on the east coast; however, the catch is shipped out of the area to be processed. This lack of efficiency of course impacts negatively on local jobs and productivity of the local industry.

The second element is being considered is a repair facility for boats. When vessels need repairs that require that they be out of the water, the nearest operations are in Cape May or points well north of here. Two problems exist with depending on these locations. One, of course, is the need to transport the vessels, often disabled, to the location. The other problem is caused by the significant delays in actually being able to use the runways. Waiting times of up to a month or more are not uncommon. Having a boat out of service for any period of time is detrimental to the overall efficiency and profitability of the business.

The third element is a marketing or distribution co-op for the products of the fisherman/clammers. The opportunity is to establish the facility that will serve as the location to bring together the buyers/brokers at a place where they can arrange for the purchase and distribution of products. As described by the U.S. Department of Agriculture, co-op marketing includes assembling, processing and selling raw or processed products in retail or wholesale markets for members. We envision that the venture would operate along the lines of the Vineland Produce Auction, taking advantage of a larger national and international market for the products. The increased efficiency and sales opportunities will result in the expansion of the industry.

Gateway and Bader Field Redevelopment Project

The 142 acre site is located at the US Route 40/322 gateway to Atlantic City. This property is owned by the City of Atlantic City and provides an exciting opportunity to diversify the City. The City is working with the NJEDA to consider the options for the development of this site which can range from a themed-based Disney-like park to mixed use development to educational and recreational facilities. The site has water on three sides providing opportunities for water-base activities. The site has been designated a redevelopment area pursuant to the Local Redevelopment & Housing Law. NJDCA planning funds have been secured for planning and design of this site. USEDCA grants may provide leverage to complete the development of this site.

CITY OF BRIGANTINE

The City of Brigantine is a barrier island community located north of Atlantic City. The City's Master Plan calls for improvements to its three commercial areas to help strengthen the existing businesses and to attract new development. The commercial areas support office, restaurant and retail establishments. The three areas are:

1. Lighthouse Central Business District (CBD) -located along Atlantic-Brigantine Boulevard from the Brigantine Towne Center to the lighthouse.
2. City Hall CBD -includes an area from 15th Street South to 8th Street South on Brigantine Avenue.
3. Harbor Beach Boulevard District -includes a large shopping center. The City has developed a design plan for the City Hall CBD and has requested funding from the NJEDA. Additional funding support from USEDA may help to support these important business communities.

CITY OF MARGATE

Amherst Avenue Business District Improvements

The Amherst Avenue Business District was significantly impacted by Superstorm Sandy, closing business for an extended period of time and damaging public infrastructure. The section of the City of Margate is a regional destination which includes marinas, high-end restaurants, charter operations and mixed use developments. The potential for this area is significant; however, infrastructure improvements are needed. A plan has been devised to replace the bulkheads at a higher elevation and create a boardwalk promenade along the waterfront. These improvement will not only make the area much more resilient from future storm events but also provide for additional development opportunities. NJDEP funding has been requested for these improvements. EDA grant assistance may be needed to support the implementation of this plan.

CITY OF PLEASANTVILLE

Lakes Bay Resilience Redevelopment Project

The Lake Bay Neighborhood of Pleasantville is a waterfront parcel which is primarily vacant. The City Marina and the Pleasantville Yacht Club forms the eastern most part of the site. The site was impacted by Superstorm Sandy and must be protected and elevated prior to redevelopment. The site is ideal for a mixed-use development taking advantage of the water's edge by providing open space trails and water-based activities. USEPA funding may be requested for infrastructure for this large redevelopment site.

Downtown Pleasantville

Pleasantville is the only Transit-Friendly Designated Community in our area and a major transit-oriented development is underway in the heart of Downtown. The City has

attracted a variety of grants to support public infrastructure and streetscape improvements in the Downtown. Offices, retail and service businesses dominate the area with a new supermarket and restaurant forming the south boundary of the Downtown. USEDA grants may be requested to support additional transit oriented development in Downtown Pleasantville.

CITY OF SOMERS POINT

Bay Avenue Redevelopment and Resiliency

Bay Avenue has a long history as an historic waterfront neighborhood which has facilities from nightclubs and bars to up-scale restaurants, art galleries and vacation activities. This area was impacted by Super Storm Sandy and to prove resiliency and a base for future economic development, the City proposes to reconstruct the bulkheads at a high, more protective elevation, build a boardwalk promenade along the waterfront to connect the Route 52 bike path/walking with the Bay Avenue Businesses, and dredge the waterfront to provide safe access for boaters. Key development sites exist along Bay Avenue. Also, the Gateway Theatre is being renovated to host plays and other performances. NJDCA funding has been secured for planning and design of this area and NJEDA grants have been requested. USEPA funding can assist in funding infrastructures to support additional employment creating development in this area.

Route 9 Business District

The Route 9 Business District is a regional shopping area serving Somers Point, Linwood, Egg Harbor Township, Upper Township and Ocean City. The District offers a wide assortment of restaurants, retail, office and service businesses. A number of vacant store fronts exist and the City is implementing a strategy to restore full occupancy along the important corridor. A grant to design improvements and assess the market needs of this area has been secured. USEPA funding may provide needed financing for infrastructure and to leverage the creation of employment opportunities in the corridor.

CITY OF VENTNOR

North Beach Business District Revitalization

Ventnor is a coastal community located on Absecon Island. The North Beach Business District is an up and coming area in Ventnor, just south of Atlantic City. The North Beach area supports restaurants, coffee houses, shoppes and art galleries and has attracted local residents as well as many tourists. The District has a well-organized, active community association which provides marketing support and organized events. The North Beach District extends along Atlantic Avenue from Weymouth Avenue to Surrey Avenue. Streetscape improvements are needed along with financial support to renovate existing buildings in the District. A design concept has been developed and partial funding has been requested through NJEDA. The City may seek Federal EDA funding to execute this plan.

Ventnor West Eco-Tourism Park

The City of Ventnor is facilitating the creation of an Eco-Tourism Park to increase awareness and utilization of its ecotourism resources on public lands devoted to wildlife - dependent, open space, and/or recreational purposes. Ecotourism brings millions of dollars into the region annually, and generates jobs and wonderful experiences for visitors and residents who enjoy the area's unique offerings in birding and other wildlife preserves, walking trails, nature trails and bikeways.

The City owns this 13 acre tract in Ventnor West. This area is bounded by Buffalo Avenue, Wellington Avenue, Fredericksburg Avenue, Beach Avenue, West Canal and Inside Thorofare. The Master Plan calls for a boardwalk along the waterfront with nature park environmental study and observation points incorporated into the development plan. Various renderings of development plans have incorporated these features. The City of Ventnor plans to develop a visitor-friendly eco-park that would appeal to both residents and tourists and could become a major new attraction in region. The eco-park would expose the vegetation, trees, and wildlife that exists in coastal wetlands to those who seek to learn more about nature. Hiking and bicycle trails, active recreation, alternative energy demonstration projects, picnic areas, nesting areas for birds and other amenities are planned. Small boats can be used to tour the surrounding waterways. Students from the nearby colleges and high schools can be engaged to help to create education tours of the area.

This park can be a regional attraction much like the Edwin B. Forsythe National Wildlife Refuge which provides an environmental instructional and educational experience in an urban, coastal setting. Funding from EDA may be pursued to achieve the improvement goals for this site.

Downtown Ventnor

Downtown Ventnor is a traditional Main Street with a wide variety of retail, restaurants and service businesses. Competition from the nearby malls and Tanger Outlet's The Walk has impacted this business aging business district. There is a growing interest by local business people to restore the Downtown to become a regional attraction. Downtown Ventnor extends on Ventnor Avenue generally from South Cambridge Avenue to South Troy Avenue. Vacant building and lots exist which provide potential locations for offices, charter schools and mixed use development. EDA funding may be an option to create new employment opportunities in Downtown Ventnor.

MULLICA TOWNSHIP

After many years of planning the Township of Mullica has extended the Elwood Village Center with full approval of the New Jersey Pinelands Commission. The Township has applied for approval by the NJDEP, Pine lands Commission and Atlantic County to create a sewer service in Elwood Village. The project involved provide a package treatment plant to serve the existing homes at Wharton Park, possible the municipal building and elementary

school and development along US Route 30. This sewer service is critical for the initiation of new projects, which in turn will create additional ratables and employment opportunities for the residents of Mullica Township.

ATLANTIC COUNTY

Atlantic County Wayfinding Signage

Atlantic County hosts the #1 Tourist Destination on the East Coast, Atlantic City. A wide variety of visitor attractions exist in the County from wineries, art galleries and museums to historic sites, parks and beaches. A county-wide coordinated wayfinding system is needed to provide the visiting public with a complete understanding of what the County has to offer. The Cities of Atlantic City and Somers Point have already started the process to design wayfinding signage but a more coordinated approach is needed. USEDA funding may be required to support these important tourism improvements.

Atlantic County Transportation Corridor Projects

Atlantic County includes two barrier islands that have limited access due periodic flooding and inadequate capacity to support new development and provide for emergency evacuation. Brigantine is served by a single bridge via Route 83 and the south end of Atlantic City, Ventnor and the north end of Margate are served by US route 40/322.

Heavy summertime reliance on these roadways is problematic, as well as overuse during emergency events that would warrant evacuation of the County. Route 40/322 regularly experiences congestion as a result of inadequate roadway capacity due to flooding bridge openings. An alternative plan is under review relocate the Intracoastal Waterway and build a new free span bridge west of Bader Field. NJDOT, South Jersey Transportation Authority (SJTA), the CRDA, the County and the City involved in this effort. A detailed study has been completed by SJTA that finds this alternative to be feasible. Improvements on causeways into the barrier islands would dramatically decrease tourism-related traffic congestion and would facilitate emergency evacuation of the area. The Route 40/322 improvements would also enhance the likelihood of major development at Bader Field, the old High School Site and a beach front hotel site all located at the terminus of Route 40/322.

Preservation and enhancement of non-traditional transportation modes and corridors are also key to the County's economic health and vitality. As an example, the regular maintenance of the Intracoastal Waterway would preserve a key resource for recreational boating and commercial fishing. Development of non-traditional alternatives such as bicycle/pedestrian facilities, also are important to ease roadway congestion and further economic development. Most recently, the Cities of Linwood, Pleasantville, Brigantine and Atlantic City have completed Bicycle and Pedestrian Plans that were fully funded by NJDOT. These Plans present many opportunities for expansion of the regional bikeway network. The NJDOT is completing a study on alternatives to provide safe crossing of US Route 40/322 to connect the Pleasantville to Ocean City Bikeway with the Egg Harbor Township

Bikeway. Likewise, NJDOT has completed recommendations to interconnect the new Garden State Parkway bike/pedestrian path over the Great Egg Harbor River with the Somers Point Bikeway. These and additional bikeway projects pending in several local municipalities have brought the prospect of making a regional bikeway system a reality.

Superstorm Sandy Related Infrastructure Improvements

The County of Atlantic was named one of the nine hardest hit counties in New Jersey and the was clearly the most severely impacted county in the District. Hundreds of home were substantially damaged, infrastructure was destroyed and the economic impacts were severe. An economic analysis prepared by Atlantic Cape Community College places the economic impact of Superstorm Sandy at \$215 million for Atlantic City alone. UESDA funding has been secured to support the reconstruction of the Baltic Avenue Flood Gates in Atlantic City; however, additional funding is needed.

**SJEDD CEDS
FY 2015 UPDATE**

TAB 3

APPENDIX B

NJ Key Industry Clusters



New Jersey Key Industry Clusters

New Jersey has a richly diverse population; proximity to major metropolitan areas and a history of invention and innovation; from electronics and pharmaceuticals to biotechnology research; that impressively continues to grow. New Jersey's commitment to investment, collaboration and talent development supports growth in key industry clusters that drive economic expansion. In the Garden State, these key clusters have found an ideal location – within a day's drive of 40.0 percent of the U.S. population; a talented, productive and highly educated workforce with a high density of residents with advanced degrees and 52 colleges and universities. Here is a brief look at some key industry clusters.

Technology Industry Cluster

- In 2013 New Jersey's technology cluster accounted for 354,640 jobs or 11.0 percent of private sector employment statewide. Nationally the cluster was responsible for 9.6 percent of all private sector employment.
- The annual average wage for the technology cluster was \$110,952 in 2013 or 188 percent of the statewide average (\$59,026) for all industries. Employers in the industry paid over \$39 billion in wages, or about 21 percent of the total wages paid in all industries.
- Employment within the technology cluster can primarily be found within the following sectors: professional, scientific and technical services (48.6%), manufacturing (19.6%), wholesale trade (15.8%), and information (13.9%).
- The technology cluster is supported by the strength of New Jersey's highly educated workforce as over 93 percent of New Jerseyans within the cluster have achieved some level of college education or higher. Almost 77 percent hold a Bachelor's degree or higher.

Note: The definition of the technology cluster was expanded in 2013 to reflect the U.S. Bureau of Labor Statistics definition.

Biopharmaceutical Life Sciences Industry Cluster

- New Jersey's biopharma life sciences cluster employment totaled over 115,000 in 2013, or 3.6 percent of the state's private sector workers. Nationally, the proportion was just 1.9 percent.
- New Jersey's biopharmaceutical and life sciences cluster employment is comprised of three primary components: pharmaceutical sector (43.5%), biotechnology (35.4%) and medical device manufacturing (21.1%). In 2013, the state's pharmaceuticals employment accounted for 8.8 percent of pharmaceuticals jobholding in the U.S.
- Establishments totaled over 3,000 in 2013. Despite recent reorganizations by pharmaceutical firms, the drug and pharmaceutical component's establishment count increased between 2008 and 2013 by 9.4 percent, outpacing growth nationally (+7.1%) over the same period.

- New Jersey biopharma life science employers paid over \$15 billion in wages during 2013, or 7.9 percent of the state's total wages.
- The state's highly educated workforce is seen in this cluster as more than three-fifths (62.2%) of its workers statewide hold a Bachelor's degree or higher: Bachelor's (29.2%), Master's/Professional (24.7%), Doctoral (8.3%) degree.

Advanced Manufacturing Industry Cluster

- The advanced manufacturing cluster contributed over \$20.7 billion to New Jersey's Real Gross Domestic Product in 2012, or about 4.8 percent of all state output (latest available from the U.S. Bureau of Economic Analysis).
- Advanced manufacturing employment is primarily comprised of four industry groups: chemical manufacturing (36%), computer and electronic product manufacturing (18%), fabricated metal manufacturing (16%) and machinery manufacturing (11%). The remaining 19 percent is made up of selected detailed industries.
- In 2013, there were 133,700 people employed in industries classified as advanced manufacturing in New Jersey, or about 55 percent of manufacturing employment statewide.
- Chemical manufacturing industries, the cluster's largest segment, employed roughly 49,000 in 2013, or 20.2 percent of all manufacturing workers in the state. The state's jobholding in chemical manufacturing represents 6.1percent of U.S. chemical manufacturing employment.
- The state's advanced manufacturing industry establishments paid a total of more than \$12.6 billion in wages in 2013, or roughly 6.6 percent of New Jersey's total wages.

Note: The definition of the advanced manufacturing cluster was expanded in 2013 to reflect new methodology used by LWD

Transportation, Logistics, Distribution Industry Cluster

- In 2013, transportation, logistics and distribution (TLD) employed 364,756 workers in New Jersey. The cluster employed 11.3 percent of the state's private sector workers, a higher percentage than for the nation (8.8%).
- TLD contributed more than \$54.4 billion to the state's Real Gross Domestic Product (GDP) in 2013.
- In 2013, employers in the state's TLD industry cluster paid a total of \$25.2 billion in wages.
- Located between New York City and Philadelphia, New Jersey is within a day's drive of 40 percent of the U.S. population.
- The state offers access to the nation's freight rail network and is also home to several key transportation facilities necessary for a strong TLD industry cluster including three major seaports and a large international airport.

- According to 2012 figures (latest available) from the U.S. Army Corps of Engineers, Waterborne Commerce Statistics Center, New Jersey's shipping activity accounts for 6.6 percent of the nation's tonnage of total cargo volume.

Note: The definition of the TLD cluster was expanded in 2014 to reflect new methodology used by LWD.

Financial Services Industry Cluster

- Despite a relatively small employment base (5.6% of private sector employment in 2013) finance and insurance contributed almost \$35 billion or roughly eight percent to the state's Real Gross Domestic Product in 2013.
- According to the NJ Business & Industry Association, 15 of the state's top 75 employers are finance and insurance firms whose combined employment represents roughly 40 percent of jobholding in finance and insurance.
- Financial services relies heavily on information and technology. New Jersey has remained in the forefront of technological advancement by becoming a national leader in developing data centers to support the industry. Of the more than 40 data centers located in the state, over half are located in Hudson County.
- In 2013, almost \$20.3 billion in total wages were paid by New Jersey's employers in financial services industries.
- The greatest concentration of jobs within the financial services industry cluster is found in Hudson County (17.6%).

Health Care Industry Cluster

- The health care cluster contributed over \$30 billion to New Jersey's Real Gross Domestic Product (GDP) in 2012, or roughly 7 percent of all state output (latest available from the U.S. Bureau of Economic Analysis).
- Health care cluster employment is comprised of three industry groups: ambulatory health care services (47%), hospitals (32%) and nursing and residential care facilities (21%).
- From 1990 through 2013, the health care sector in New Jersey has added 186,300 new jobs, while all other industries combined had a net gain of only 113,400.
- Health care is the only industry that has added jobs in the state every year from 1990 through 2013 while increasing its share of jobholding from 7.5 percent in 1990 to 11.6 percent in 2013.
- The outlook for New Jersey's health care employment is bright. From 2012 through 2022, it is projected that more than 88,600 jobs will be added, an annual increase of 2.0 percent.
- Health care establishment employers paid more than \$23.3 billion in total wages in 2013, or about 12.2 percent of all wages paid statewide.

Leisure, Hospitality and Retail Industry Cluster

- Leisure, hospitality and retail (LHR) is comprised of four components: retail trade (56.0% of employment), food services/drinking places (29.7%), accommodation (7.2%) and arts/entertainment/recreation (7.1%).
- Many of the businesses within LHR are intertwined with the state's tourism industry, which directly supported 320,238 jobs in 2013. According to the NJ Division of Travel and Tourism the state generated more than \$40 billion in tourism demand in 2013.
- LHR contributed \$44.7 billion (or 9.8%) to the state's Real Gross Domestic Product in 2013.
- LHR jobholding totaled 796,788 in 2013, or 24.6 percent of the state's private sector workers.
- New Jersey LHR employers paid nearly \$22 billion in wages during 2013, or 11.5 percent of the state total. The average annual wage for the LHR cluster in 2013 was \$27,516.
- Over one-quarter (28.3%) of all employment in the LHR cluster is concentrated in three counties: Bergen, Monmouth and Middlesex. Atlantic County ranks fourth for LHR employment due mainly to the presence of its casino hotel industry.
- Due primarily to their tourism-based economies, over half of private sector employment in Atlantic (56.1%) and Cape May (54.6%) counties is concentrated in the LHR cluster.

Construction Industry

- The construction industry is divided into 3 components:
 - o Specialty Trade Contractors
 - o Construction of Buildings
 - o Heavy and Civil Engineering
- In 2013 New Jersey's Construction industry averaged 136,500 jobs. An increase of 6,100 (+4.7%) jobs from 2012's average.
- More than 100,000 people were employed in occupations classified as construction and extraction across all industries in 2013
- Average construction occupation salary was \$55,940 in 2013

► [Key Industry Cluster Fact Sheet](#) illustrates the significance of the **eight key industry clusters** to the state's economy. January 2015 NJLWD

**SJEDD CEDS
FY 2015 UPDATE**

TAB 4

APPENDIX C

Reference to 2013 CEDS Update



The 2013 CEDS Update, Dated February 2013, can be found at:

<http://www.sjedd.com/economy/index.asp>

Comprehensive Economic Development Strategy 2013

The 2013 CEDS Update includes a comprehensive inventory of County Projects which is appendicized to this document by reference. A new, fully revised FY 2016 CEDS is due to be released later this year by the South Jersey Economic Development District



FY 2015

**COMPREHENSIVE ECONOMIC
DEVELOPMENT STRATEGY**

**South Jersey Economic Development District
March 1, 2016**

we grow communities



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