

Township of Egg Harbor
Atlantic County, New Jersey

Community Development Plan for Business Districts / Economic Development Element



Prepared For:

Egg Harbor Township Planning Board
3515 Bargaintown Road
Egg Harbor Township, New Jersey 08234

August 2017
Revised

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Economic Plan Element

August 2017, Revised

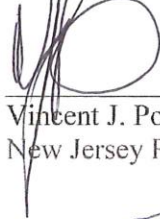
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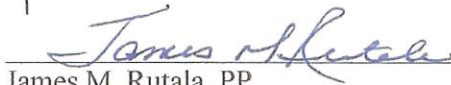
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Several previously adopted planning documents were utilized in the preparation of this Economic Plan Element. These referenced documents are included as follows:

2002 Egg Harbor Township Master Plan
2007 Livable Communities Plan
2008 Egg Harbor Township Reexamination Report
2008 Housing Element and Fair Share Plan
2009 Redevelopment Plan for the West Atlantic City Redevelopment Area
2013 Amendment to the 2002 Master Plan
2016 Strategic Recovery Planning Report
2016 Getting to Resilience Report
Egg Harbor Township Zoning Code
2015 Atlantic County Multi-Jurisdictional Natural Hazard Mitigation Plan
River Management Plan

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Community Development Plan For Business Districts: Economic Development Element

A. INTRODUCTION

After years of unbridled growth, Egg Harbor Township is in a transitional stage. After decades of development spurred by the legalization of casino gaming in Atlantic City, the Township's growth has paused. This Plan is designed to review the past growth trends and develop strategies for community development planning for the future.

Egg Harbor Township is clearly in a period of transition. Superstorm Sandy and subsequent storms have impacted the coastal areas including West Atlantic City, Anchorage Point, Seaview Harbor, the Margate Causeway and the Great Egg Harbor River shoreline. The impact of coastal storms, along with the closing of five casinos in Atlantic City and the Great Recession, has resulted in a loss of employment opportunities and outmigration. These changes make this an opportune time to develop a Master Plan for community and economic development to guide Egg Harbor Township into the future.

The Municipal Land Use Law (NJSA 40:55D-28 & 62) provides that a municipal Master Plan shall generally comprise land use and development proposals, with maps, diagrams and text, addressing the municipal vision statement and Land Use Plan Element. Optional elements of the Master Plan include an Economic Development Element, which is presented herein. An Economic Development Element analyzes the economic development goals of the Township and addresses, among other issues, employment requirements, availability of labor pool and the stability and diversity of the economic development program to be promoted.

There were many meetings held to gain input into this Plan. The Economic Development Advisory Board has met with the master planners to discuss the issues and opportunities in the Township. Meetings were held with the Atlantic County Economic Alliance and the Atlantic County Improvement Authority (ACIA) to discuss their development initiatives and the ways that their organizations can assist the Township to further redevelopment. Various public meetings were held with the Planning Board to discuss the goals of the Master Plan and other economic development initiatives. Finally, meetings were held with the New Jersey Department of Transportation, the South Jersey Transportation Authority (SJTA), the South Jersey Economic Development District, and the Atlantic County Department of Regional Planning and Development to discuss various initiatives.

B. GOALS

This Plan defines goals for the Township that foster future growth and development in the Township. The goals include several short- and long-term strategies for implementing them. The goals include:

1) **Diversifying the Local Economy**

Promote the expansion of markets for existing technology-based industries like those associated with the FAA William J. Hughes Technical Center (Technical Center) to ensure their development, retention, and competitiveness. In addition, attract new industries that complement the existing industrial clusters and diversify the County's economic base. Also provide incentives for the expansion of tourism-related businesses in the Township, building on the strong base that exists with breweries, golf courses, hotels and amusement parks.

2) **Promoting Regional Workforce Cooperation**

In coordination with the universities, colleges, high schools, workforce investment board and industry representatives, promote the expansion of a technically skilled and qualified workforce that meets the demands of existing industries in the Township and those that are being recruited.

3) **Developing Lasting Partnerships**

Foster a strong relationship with major industries such as the Technical Center to understand their needs and the needs of their workforce. Incorporate such industry leaders in local economic development, education and other appropriate boards and commissions so to engage their management team in the community.

4) **Enhancing Quality of Life**

Continue to improve the quality of life in the Township by providing and promoting additional cultural, historical, environmental and educational opportunities.

5) **Increasing Economic and Natural Resiliency**

Develop a resiliency program to address the effects of both economic and natural disruptions that will assist in the recovery and sustainability of impacted communities within the region.

6) **Fostering Redevelopment Opportunities**

Recognizing that there are redevelopment opportunities in the Township, encourage investments that foster redevelopment and enhancement of existing business districts.

7) **Expanding Financial Resources**

New sources of funding to promote economic development should be developed and promoted. A concerted effort should be made to target grant funding that will leverage the creation of jobs, business growth and redevelopment opportunities.

8) **Improving Transportation**

Investments are needed in the transportation network to promote growth and development.

C. BUSINESS DISTRICTS

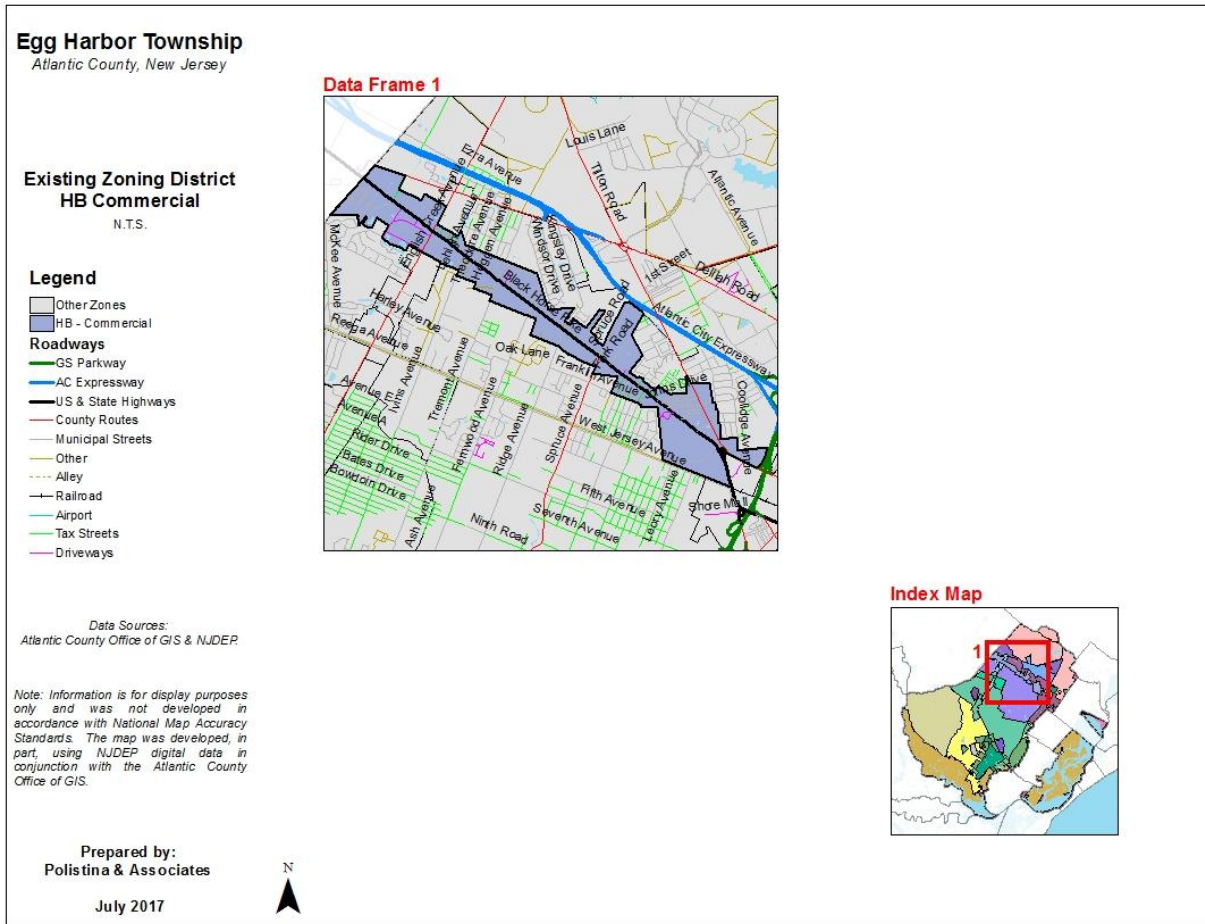
The Township has a wide variety of business districts, which accommodate all non-residential land uses described below.

Highway Business District (HB)

The largest business district in Egg Harbor Township is the Highway Business (HB) District on U.S. Route 40/322 (Black Horse Pike). This district extends from the Hamilton Township border to the west to the Cardiff section of the Township to the east (Figure 1). The HB District includes 899.37 acres. The district has a base lot area of 80,000 square feet and a FAR of 0.41. The District consists of a mixture of retail shopping uses, auto dealerships, gas and food convenience centers, offices and small hotels.

In view of the demand for services anticipated by realization of the Pineland's mandated housing, provisions should be made to expand the Township's commercial and retail services. One of the primary objectives of the commercial districts is to provide convenient shopping and service areas for existing and developing residential areas, with the Highway Business (HB) being the most extensive. The commercial uses in the HB zoning district are intended to serve those traveling along the Black Horse Pike. As development occurs along the corridor, cross access easements between adjacent lots are required to provide an internal access between the commercial facilities with the goal of making travel easier for residents and consumers. Sidewalks are required along the frontages of the sites for pedestrian safety through the heavily traveled commercial areas. In an attempt to encourage a more visually pleasing environment along the Black Horse Pike, landscaping and buffering is required.

Figure 1: HB Highway Business District



Regional Commercial Development District (RCD)

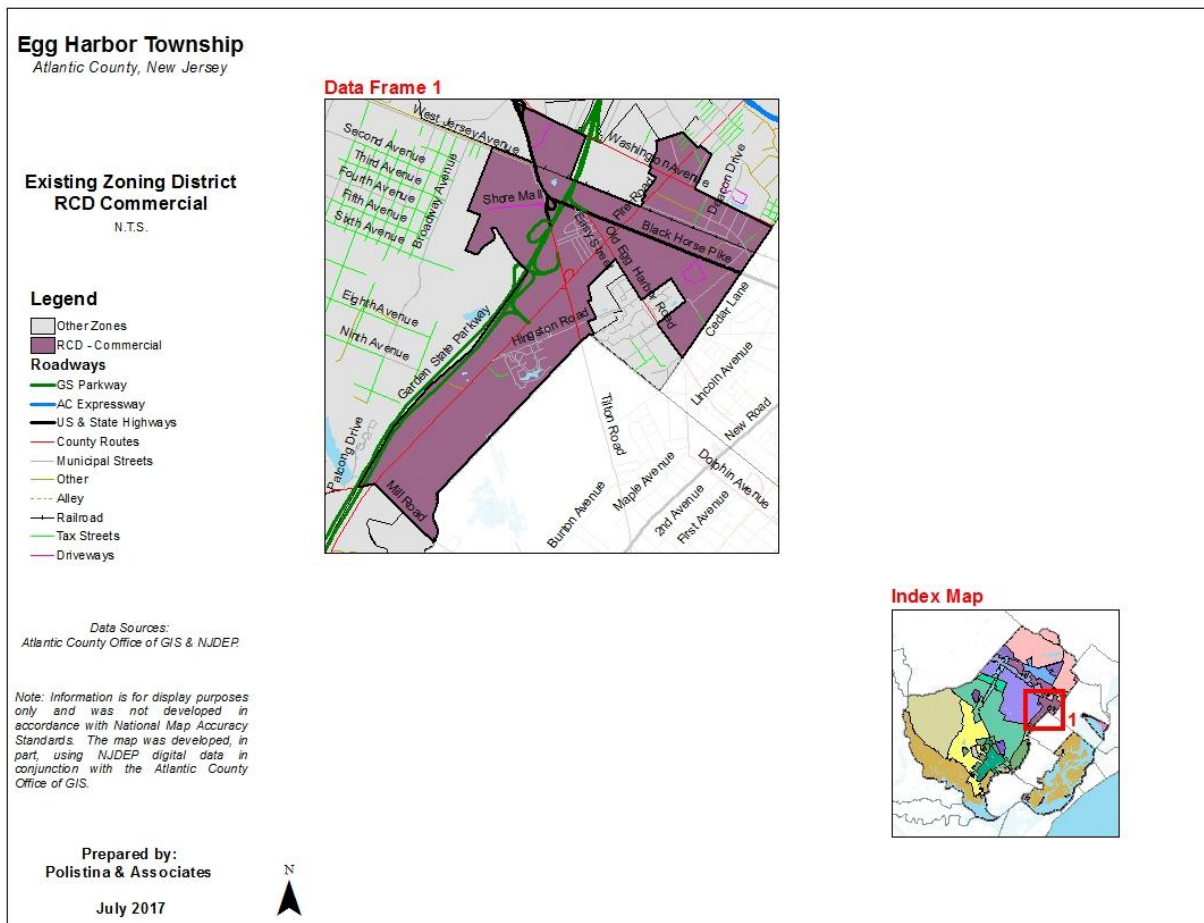
The Regional Commercial Development (RCD) District is almost as large as the Highway Business District, consisting of 892.24 acres. This district is located toward the Eastern portion of the Township, between Washington Avenue and Mill Road. It requires a minimum of three areas and it includes the Harbor Square Shopping Center site, the Genuardi's Plaza and the new Oak Tree Plaza, which includes the new Walmart Supercenter. It also includes the Tilton Road commercial district and along Fire Road from Washington Avenue south to Mill Road (Figure 2).

The concept behind the Regional Commercial Development District is to provide commercial facilities to the Township as well as the surrounding communities. The geographic location of the RCD district is unique in that it is in close proximity to both the Garden State Parkway and the Atlantic City Expressway. The existing regional shopping centers, including the Harbor Square shopping center, the Cardiff Shopping Center, Genuardi's Plaza, and the area's newest shopping center, Oak Tree Plaza, can be easily accessed by way of these major highways to bring in visitors.

The larger lot area required for development and the permitted uses encourages the development of large scale regional shopping centers. These regional shopping centers provide a destination for consumers seeking a large box store, such as a Walmart Supercenter, and smaller retail store and restaurants for convenience.

It is recommended to enhance pedestrian experience along Tilton Road and Fire Road. These areas experience high pedestrian traffic, such as people traveling to and from the Harbor Square Shopping Center by foot or bicycle. Similar activity will occur for the new Walmart Supercenter on Fire Road. Providing pedestrian safety and enhancing pedestrian experience through sidewalks, crosswalks, pedestrian signage, and push pads will enhance the quality of the RCD Zone.

Figure 2: RCD Regional Commercial Development District

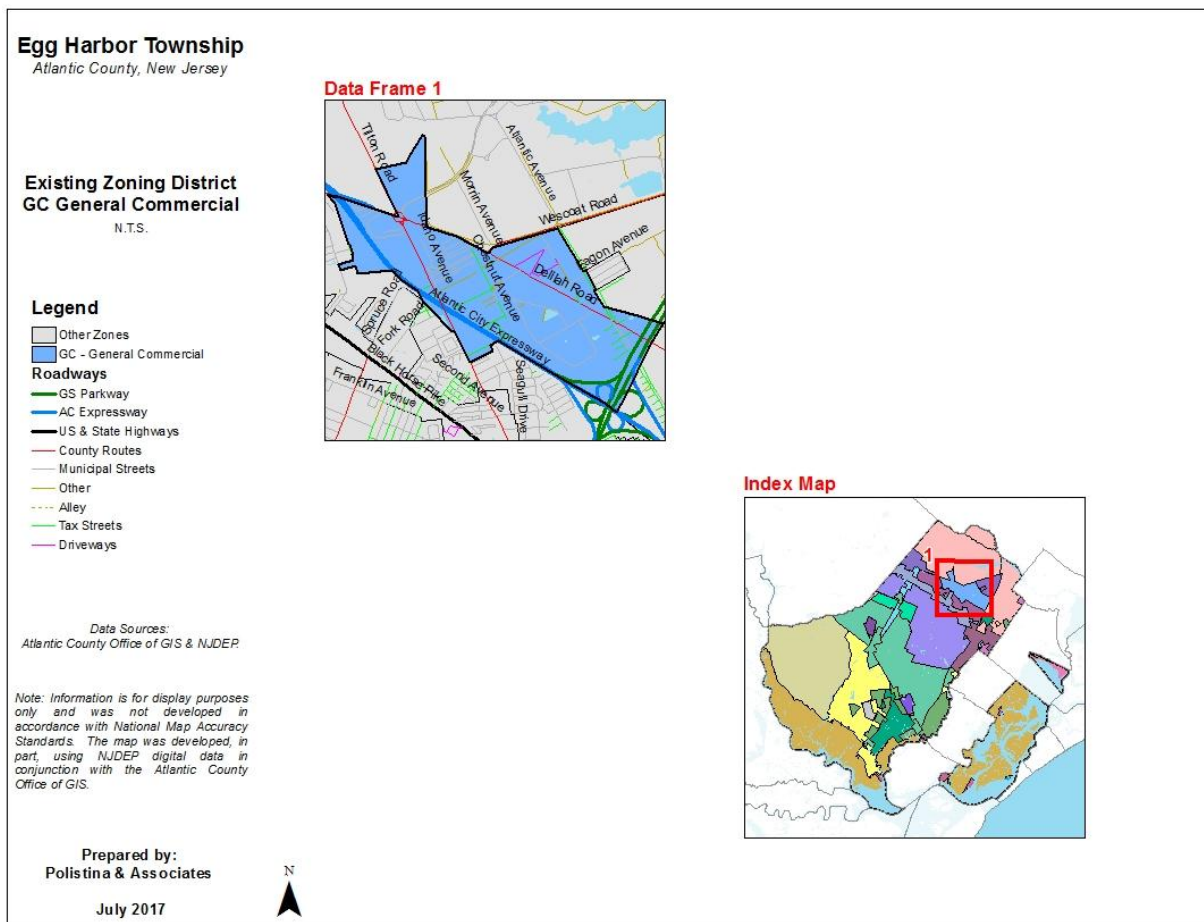


General Commercial District (GC)

The General Commercial (GC) District is the third largest business area in the Township. The GC District provides for smaller developments with a minimum lot area of 40,000 square feet and a FAR of 0.41. The GC district is located between Delilah Road and the Atlantic City Expressway, adjacent to the Atlantic City International Airport (Figure 3).

The General Commercial zoning district permits more commercial uses along with the manufacturing uses. The area zoned for General Commercial is located along Delilah Road and existing commercial parks including the Offshore Commercial Park and the Airport Commerce Center. This commercial zone is essential to the Township to provide the large "commercial parks" with uses varying from light manufacturing to casino gaming equipment assembly to research laboratories, also while providing medical, professional and business offices. The main corridor through this zone is Delilah Road, Atlantic County Route #646, which is easily accessed by the Atlantic City Expressway and other major roads in the vicinity.

Figure 3: GC General Commercial

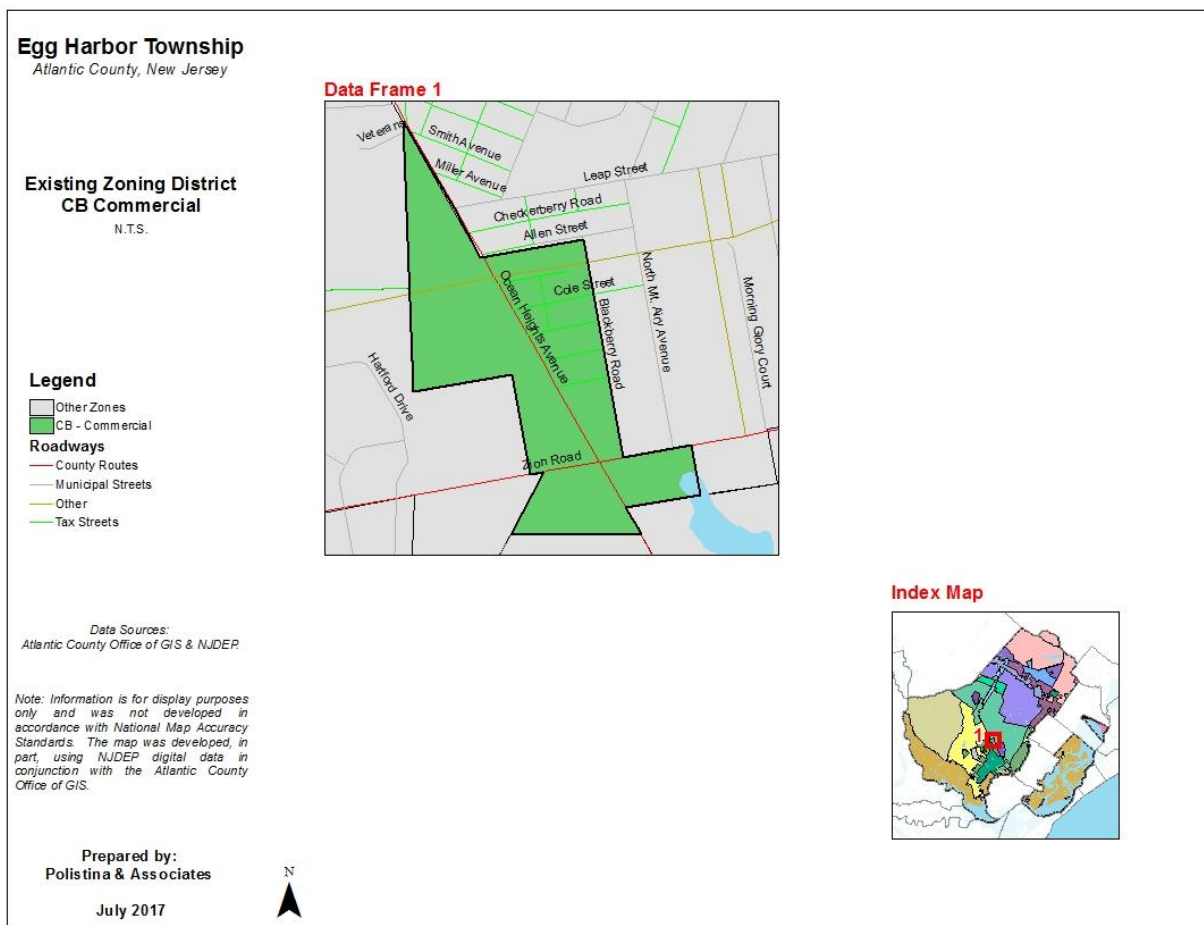


Community Business District (CB)

The Community Business (CB) District is located at the intersection of Zion Road and Ocean Heights Avenue (Figure 4). This District consists of 88.58 acres and requires a minimum lot size of 60,000 square feet. The CB district is intended to service a larger geological area than the Neighborhood Business (NB) District.

These commercial zones are relatively compact and have become established in certain locations where traffic generation and development have created a need for the services these zones provide. Expansion of these commercial nodes is limited to maintain existing neighborhood character, while simultaneously accommodating the growing need for these services.

Figure 4: CB Community Business District



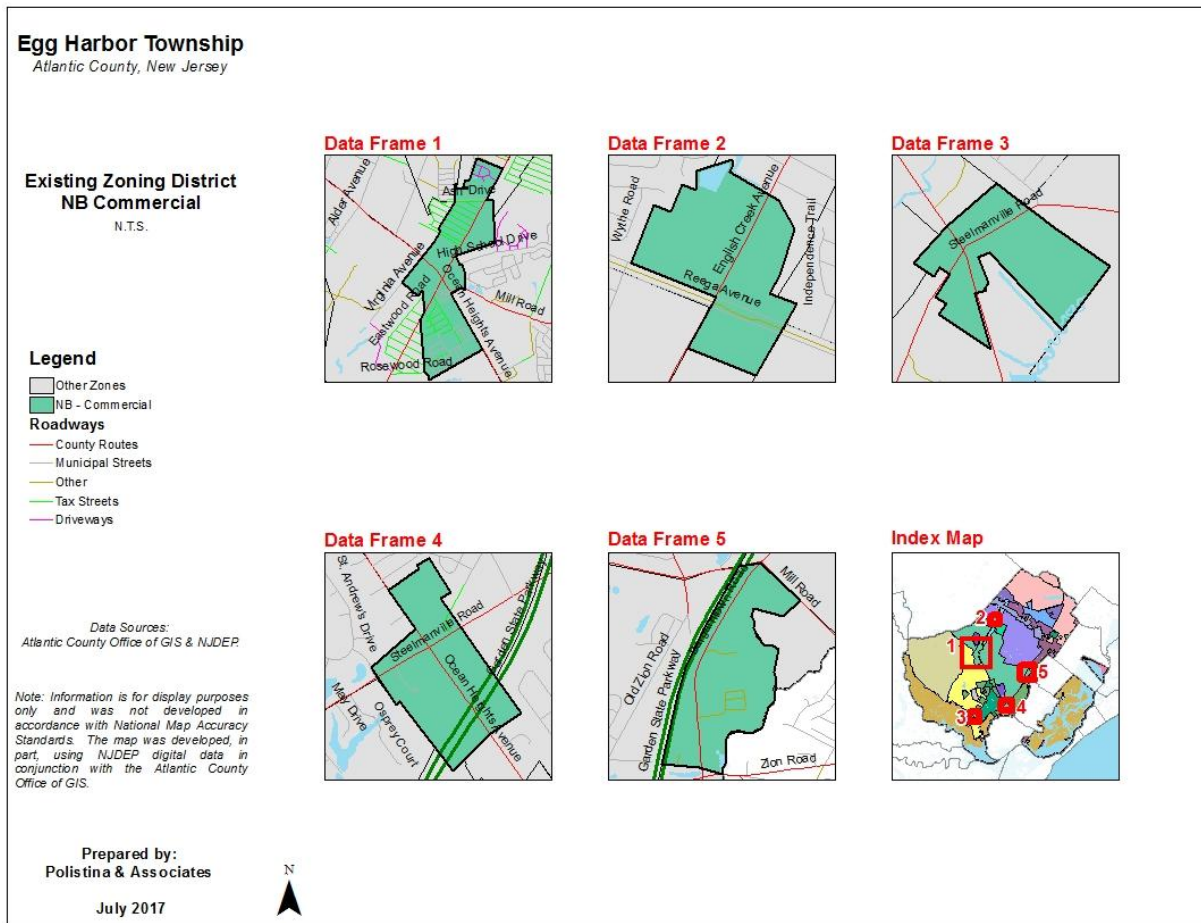
Neighborhood Business District (NB)

The Neighborhood Business (NB) District is in various areas of the Township including the intersections of West Jersey/English Creek; Somers Point-Mays Landing Road/Robert Best

Road; Ocean Heights Avenue/Steelmanville Road; and between Mill Road and Orchard Road and Zion Road (Figure 5). The minimum lot size is 40,000 square feet.

Similar to the Community Business (CB) zone, these commercial zones are relatively compact and have become established in certain locations where traffic generation and development have created a need for the services these zones provide. Expansion of these commercial nodes is limited to maintain existing neighborhood character, while simultaneously accommodating the growing need for these services. As development progresses in this area, improvements such as sidewalks and pedestrian connections are encouraged and required.

Figure 5: NB Neighborhood Business District



Special Highway Development District (SHD)

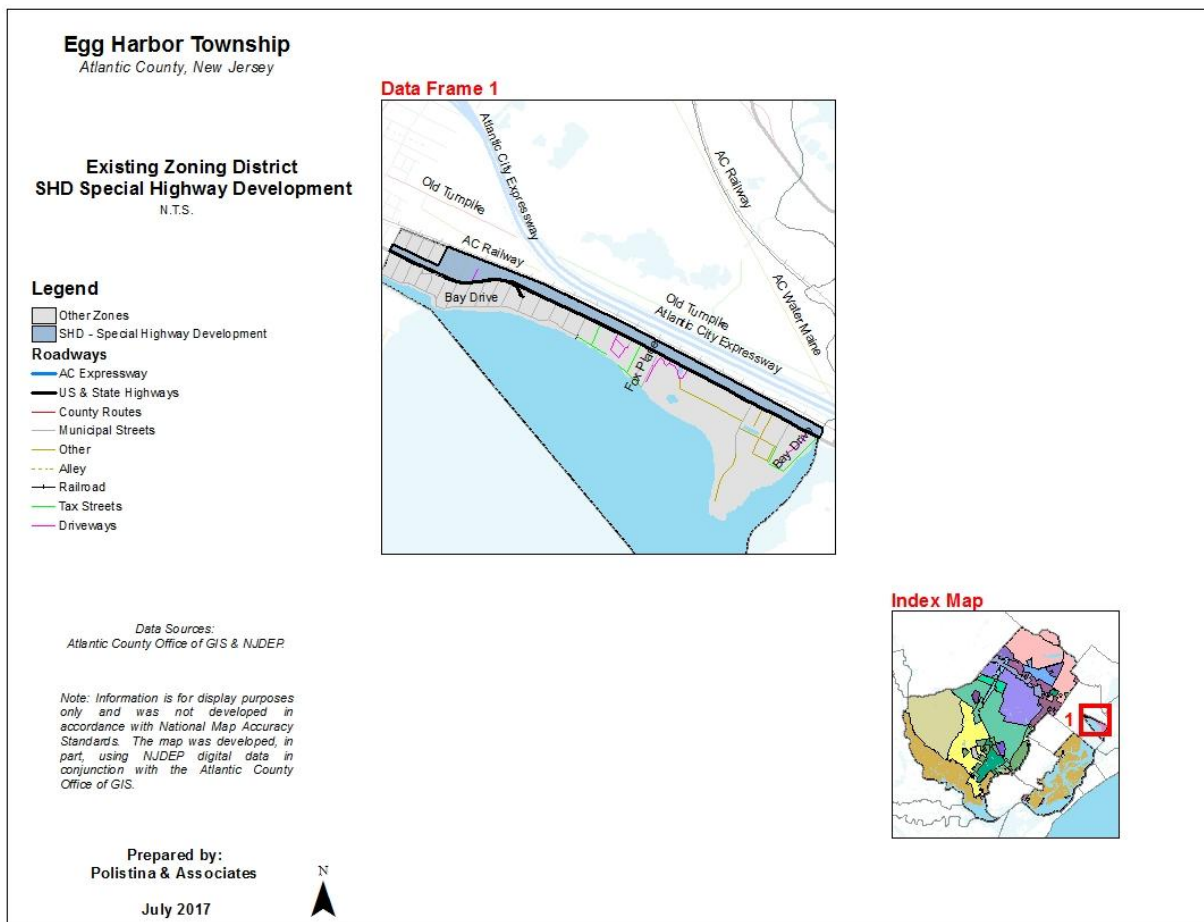
The Special Highway Development (SHD) District is found on the north side of the Black Horse Pike in West Atlantic City east of Palermo Avenue (Figure 6). This District occupies 54.57 acres and requires an 80,000-square foot minimum lot size.

This area north of the Black Horse Pike was targeted for redevelopment and several existing dilapidated motels in this zone were severely damaged by Superstorm Sandy and have been demolished.

On average, the lot depth is 153 feet for a majority of the lots located east of Palermo Avenue are currently undersized, and with a required front yard setback of 50 feet and a rear yard setback of 30 feet, these smaller lots are no longer conducive for commercial development.

As addressed in the 2017 Master Plan Reexamination Report, the Township is considering eliminating the West Atlantic City Redevelopment Plan on the north side of the Black Horse Pike. A linear park with bicycle and pedestrian paths connecting to Atlantic City would be considered along the north side of the Black Horse Pike. The 2017 Environmental Design of West Atlantic City Area report indicates a list of goals and objectives for the Township's future development in the Special Highway Development (SHD) district.

Figure 6: SHD Special Highway Development District



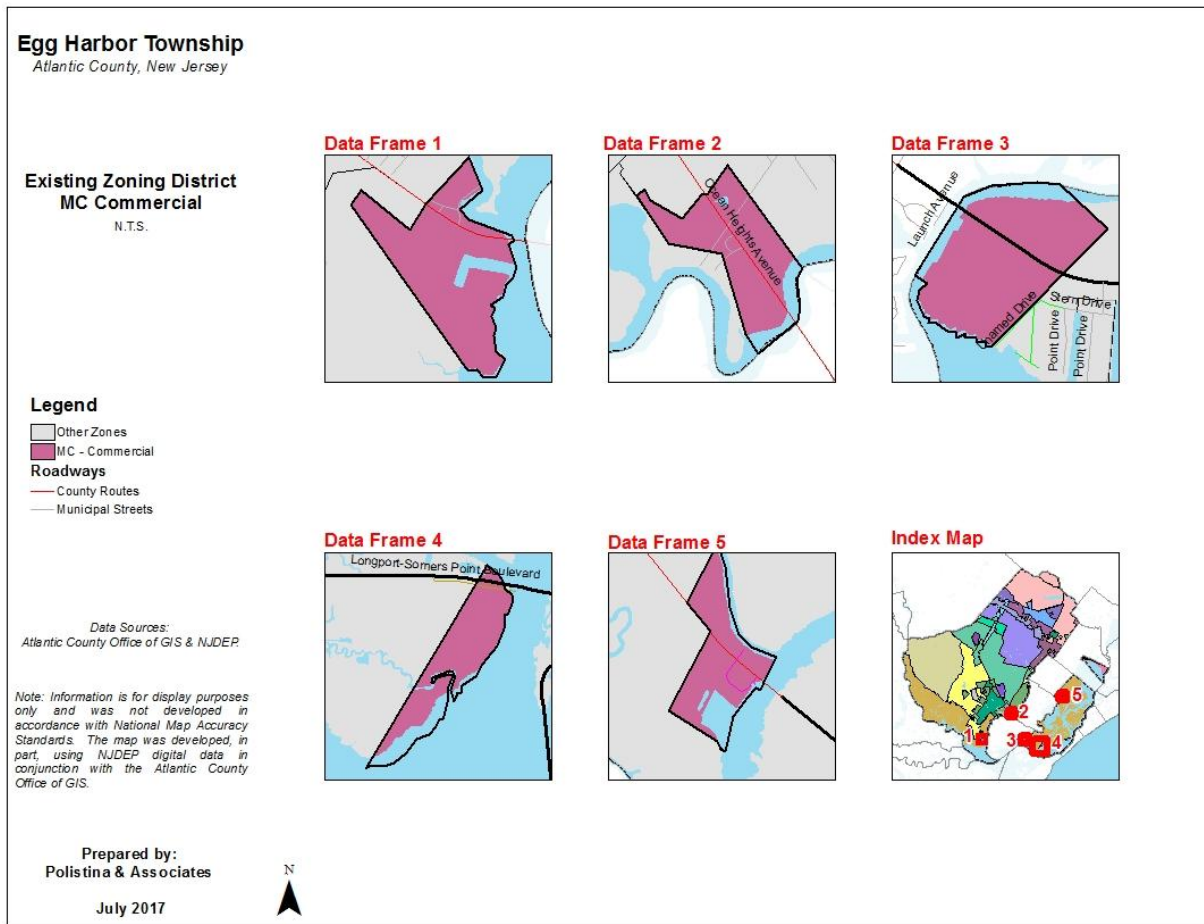
Marine Commercial District (MC)

The Marine Commercial (MC) District occupies 249.67 acres and is in five areas of the Township: Somers Point-Mays Landing Road and the Patcong Creek; Ocean Heights Avenue and the Patcong Creek; two locations along Longport-Somers Point Boulevard; and along Northfield-Margate Boulevard (Figure 7).

The intent and purpose of the Marine Commercial Zone is to provide and encourage the development of waterfront facilities for recreational purposes and thereby provide for public access to the vast Egg Harbor waterfront area. The district is not to be construed nor is it intended to include year-round occupied residential facilities as permitted uses.

It is recommended that the Township encourage better use of the natural environment for passive as well as active recreation. The permitted uses in this district would help integrate the Township into the seasonal tourism economy. These activities could include nature walks and eco-/agri-tourism experiences which would diversify the Township's more densely packed commercial areas, which are sited based on transportation routes.

Figure 7: MC Marine Commercial District

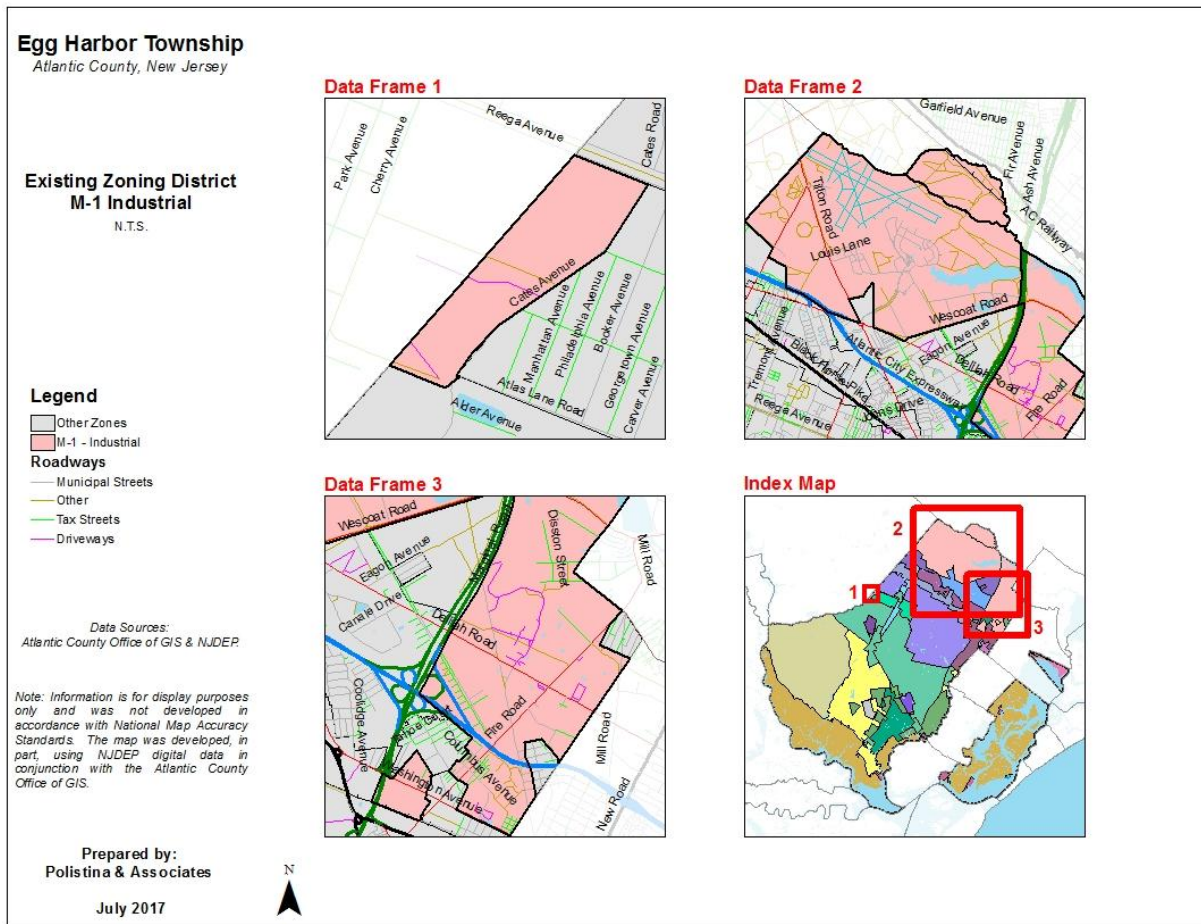


Light Industrial District (M-1)

The M-1 Industrial district is located North of the Atlantic City Expressway and adjacent to the FAATC facility, and the area east of Fire Road adjacent to Northfield are designated as Light Industrial (LI). The M1 District includes the FAA Technical Center and the area surrounding it (Figure 8). The M-1 district adjacent to Washington Avenue and the area south of the Black Horse Pike adjacent to Pleasantville are also designated Light Industrial (LI). Consisting of 5736.09 acres, this area is predominately vacant, but portions host ACUA Environmental Park other industrial facilities.

The M-1 zoning district permits mostly light manufacturing and uses similar to those permitted in the General Commercial zoning district. This business district has less permitted uses than the General Commercial, not allowing uses such as restaurants or convenience food store, food markets, delicatessens and bakeries, specifically. A majority of the land in the M-1 zone is federally owned land.

Figure 8: M-1 Light Industrial District



D. TRENDS IMPACTING THE BUSINESS DISTRICTS

Post Superstorm Sandy Trends

While it takes many years for property-value and land-use adjustments to be made after a large natural disaster, there are some general trends that can be hypothesized and watched given the known policy changes to have already been adopted.

The most immediate impact of policy changes will come from the rules adopted on the State level for rebuilding using relief funds. The requirement of at least one foot of freeboard above Base Flood Elevation for new, substantially rebuilt and elevated homes will make shore homes more expensive and harder to enter and exit (especially for older residents) while at the same time substantially reducing the value of homes that are non-conforming. In addition, the new flood maps when adopted and the FEMA National Flood Insurance Program's new rates that are based on actual costs of insuring properties near tidal waterways will cause the costs of homeownership in the floodplain to increase.

Figure 9 shows the near-term consequences of these changes are already being absorbed by the housing marketplace. As the mainland communities recover from the housing bubble of 2007, the shore communities are seeing a loss of value due to both the cost factors cited above as well as the uncertainty still being priced into the housing market.

Figure 9: Median Housing Value Changes in Atlantic County, 2010 - 2015

Local Government	2010	2015	Change
Egg Harbor Township	\$271,500	\$226,400	-16.6 percent
Galloway Township	\$259,900	\$221,500	-14.8 percent
Hamilton Township	\$228,800	\$202,600	-11.4 percent
Linwood	\$356,300	\$294,500	-17.3 percent
Margate	\$509,500	\$465,000	-8.7 percent
Atlantic County	\$264,400	\$225,600	-14.7 percent

Source: U.S. Census, American FactFinder

In short, the housing market will put a premium on properties that were not damaged by Superstorm Sandy and are not severely impacted by the new policies. These changes will be made at the margins of the marketplace, offering Egg Harbor Township an opportunity to capture part of the shifting housing market values. Clearly, the elimination of jobs in Atlantic County had a more significant impact on housing values as shown by the double-digit drop in value.

There are also some intra-Township shifts that will occur due to Superstorm Sandy. Superstorm Sandy in October 2012 brought the most severe and widespread damage to coastal Egg Harbor Township in decades. According to the Township’s 2016 Strategic Recovery Planning Report, total incurred losses to the Township totaled \$7.7 million. Substantial damage claims filed in Sandy’s wake resulted in more than \$7.25 million in damages to structures, of which \$6.9 million (or 96 percent) was paid.

As of January 2016, there were 60 repetitive loss (RL) structures in Egg Harbor Township and 19 severe repetitive loss (SRL) properties. Many of these properties are in West Atlantic City. Since the 1980s, the median structure on the repetitive loss list has experienced at least three losses; several structures had ten or more losses. Not accounting for inflation, the average claim paid for structures in Egg Harbor Township is \$37,739 while the median is \$23,479. The median of total payments for structures over the course of three decades has been \$93,973, while total payments are \$14.36 million in nominal terms.

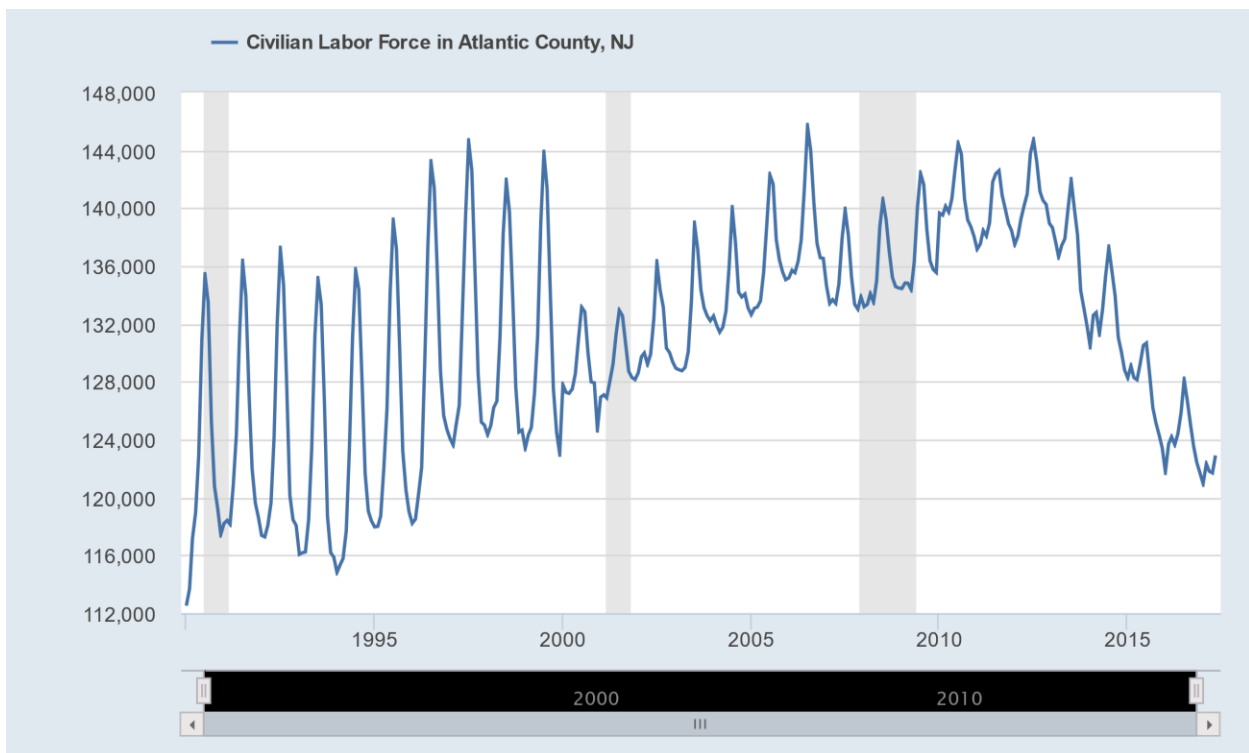
Employment Trends

Countywide employment continues to drop and this trend is not expected to end in the next few years. While Egg Harbor Township is ideally located at the population hub of Atlantic County to take advantage of the regional market that surrounds it, one cannot overlook the Countywide employment issues and their potential consequences.

The figures below illustrate the fluctuation in the labor force and the patterns of unemployment. It is quite evident from these figures that the Great Recession, Superstorm Sandy and the growth in casino gaming throughout the Northeast continues to have an impact on the regional economy. Labor force participation is lower today than in 1995.

Figure 10 below provides a snapshot of the growth and shrinkage of the civilian labor force in Atlantic County. From a low of 112,500 jobs in January 1990 to a high of 145,600 jobs in July 2006, the civilian labor market reached its lowest level in 21 years in January 2016 with 120,950 jobs, a loss of 17,500 jobs in less than five years. The recovery is expected to begin in 2018 with the opening of Hardrock Casino Hotel at the site of the old Taj Mahal Casino Hotel and the completion of the Stockton University campus in Atlantic City. Hardrock is expected to hire 3,000 full time and part time employees. In addition, retail expansion has started on the mainland, especially in Egg Harbor Township where many new retail establishments are being constructed including the new Walmart Supercenter at Oak Tree Plaza which resulted in the hiring of 360 new employees.

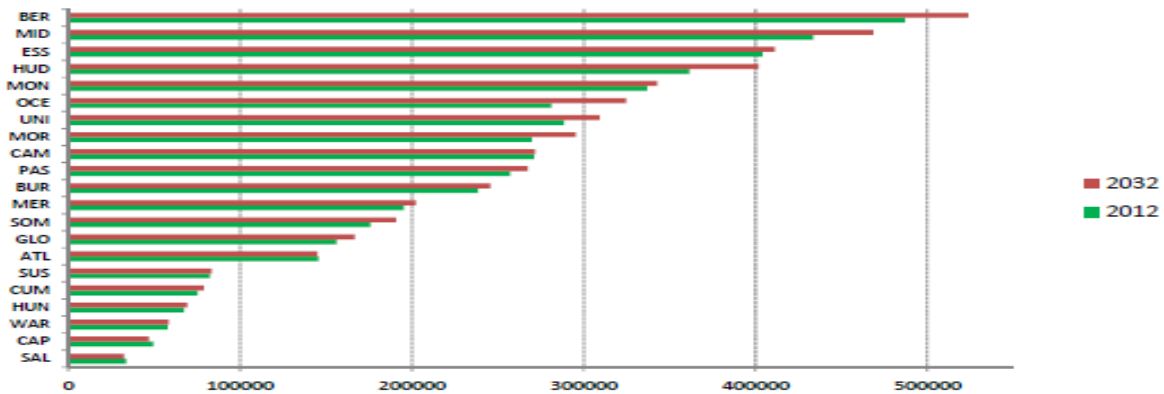
Figure 10: Civilian Labor Force in Atlantic County, 1990 to 2017



The New Jersey Department of Labor and Workforce Development projects similar labor force trends into 2032, with Atlantic, Cape May and Salem counties the only three counties in the State expected to experience a decline in labor force between 2012 and 2032.

Figure 11: Labor Force Projections by County, 2012 to 2032

Labor Force Projections by County: 2012 to 2032

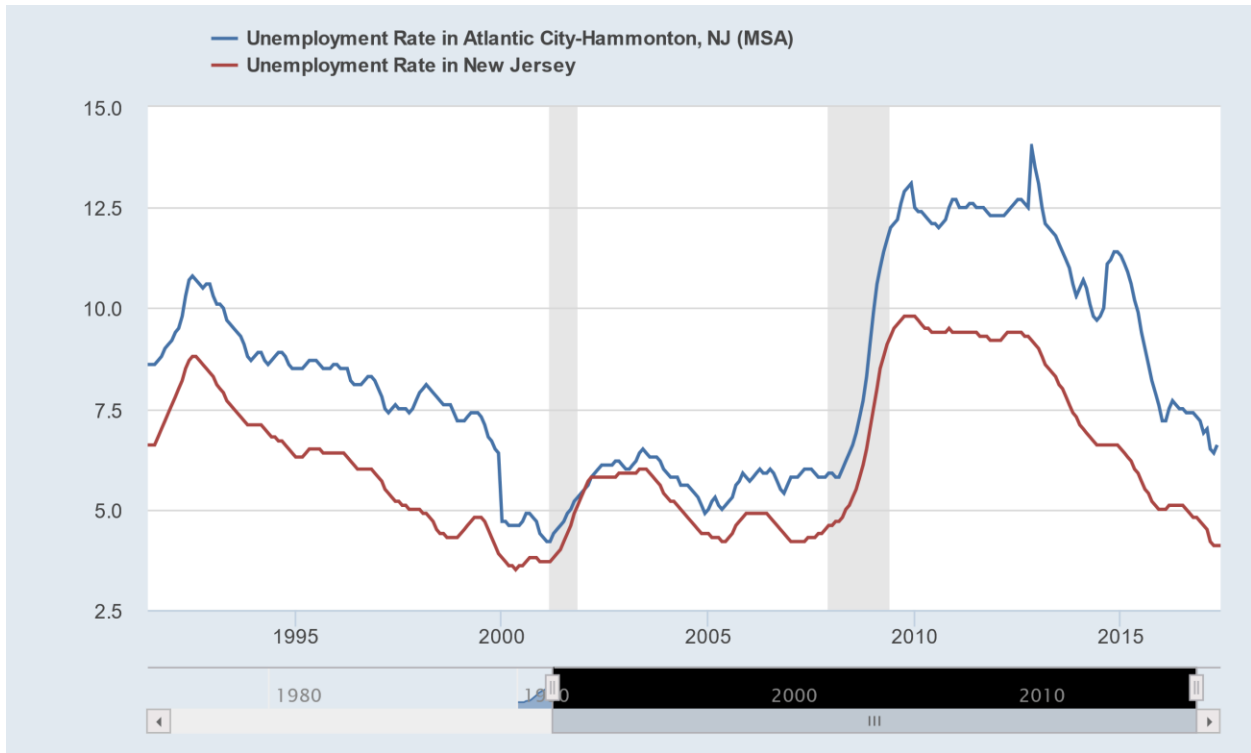


- Labor Force is projected to grow in most counties except Atlantic, Cape May and Salem between 2012 and 2032.

Unemployment rates, however, have declined significantly. While still higher than in the prerecession years, there has been a marked decline since 2012. The unemployment rate has dropped to 6.6 percent in 2017. By comparison, the New Jersey unemployment rate was 4.1 percent in 2017.

The gap between the State of New Jersey’s unemployment rate and the Atlantic County rate widened significantly after the recession and has recently started to narrow. The maximum gap was in November 2012 immediately after Superstorm Sandy when the Atlantic County unemployment rate was 14 percent compared to a rate of 9.2 Statewide, a gap of 4.8 percent. In May of 2017, the gap was 2.5 percent. Due to the seasonal nature of employment in Atlantic County, the State unemployment rate has historically been lower than the County rate.

Figure 12: Unemployment Rate for Atlantic County and New Jersey, 2010 to 2017



Private sector employment has fallen in Atlantic City since 2008 with the biggest drop in the Accommodation category, as can be expected due to the problems in the casino industry. The employment level in Accommodations declined from 50,700 employees in August 2003 to 20,100 employees in January 2017.

The retail market continues to slowly grow in Atlantic County despite high unemployment since this market segment is supported by tourist and regional markets. The retail segment lost over 1,000 jobs during the Great Recession but it has fully recovered, reaching a new high of 17,700 in December 2016. The retail market continues to shrink nationally as on-line shopping continues to grow. With more than 20 million visitors coming to Atlantic City each year and a \$6.8 billion tourism economy in the County, retail has growth potential in Egg Harbor Township since it is a tourism gateway community.

Figure 13: Employees in Accommodations in Atlantic County, 1990 to 2017

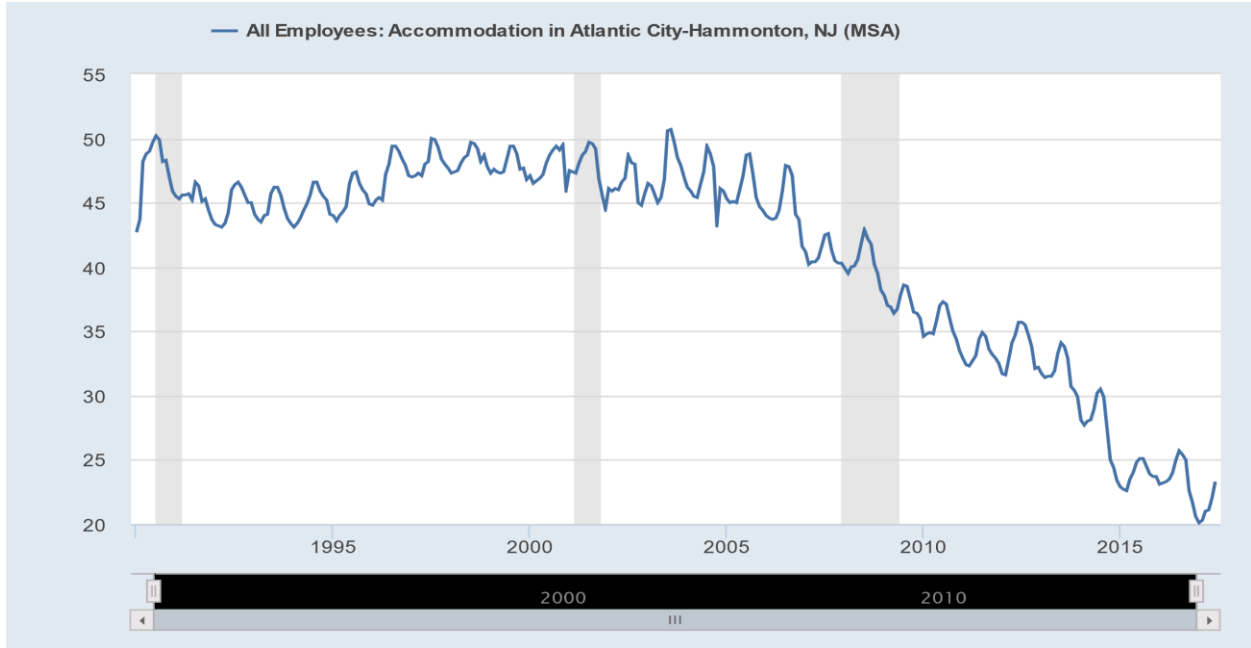
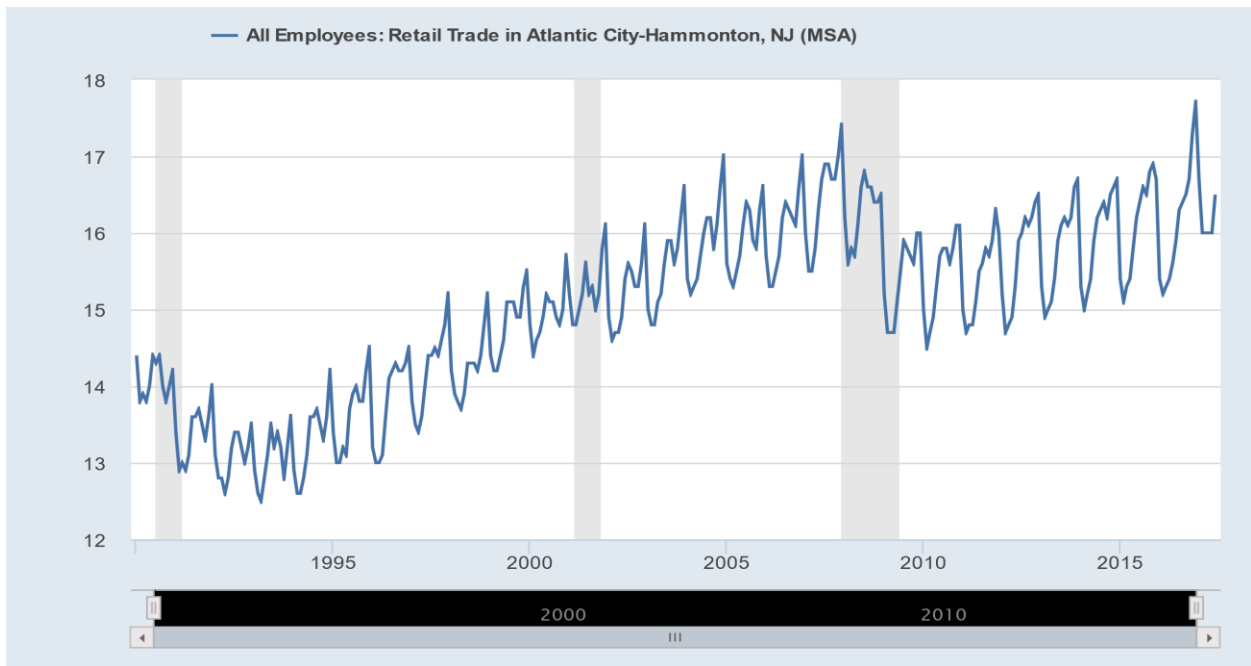


Figure 14: All Employees in Retail Trade in Atlantic County, 1990 to 2017



As shown in Figure 15, another bright spot in the regional economy is the growth that has been witnessed since the Great Recession in the food and beverage industry. In June 2017, 12,300 individuals were employed in this section and growth is expected to continue.

Figure 15: Employees in Food and Beverage in Atlantic County, 1990 to 2017

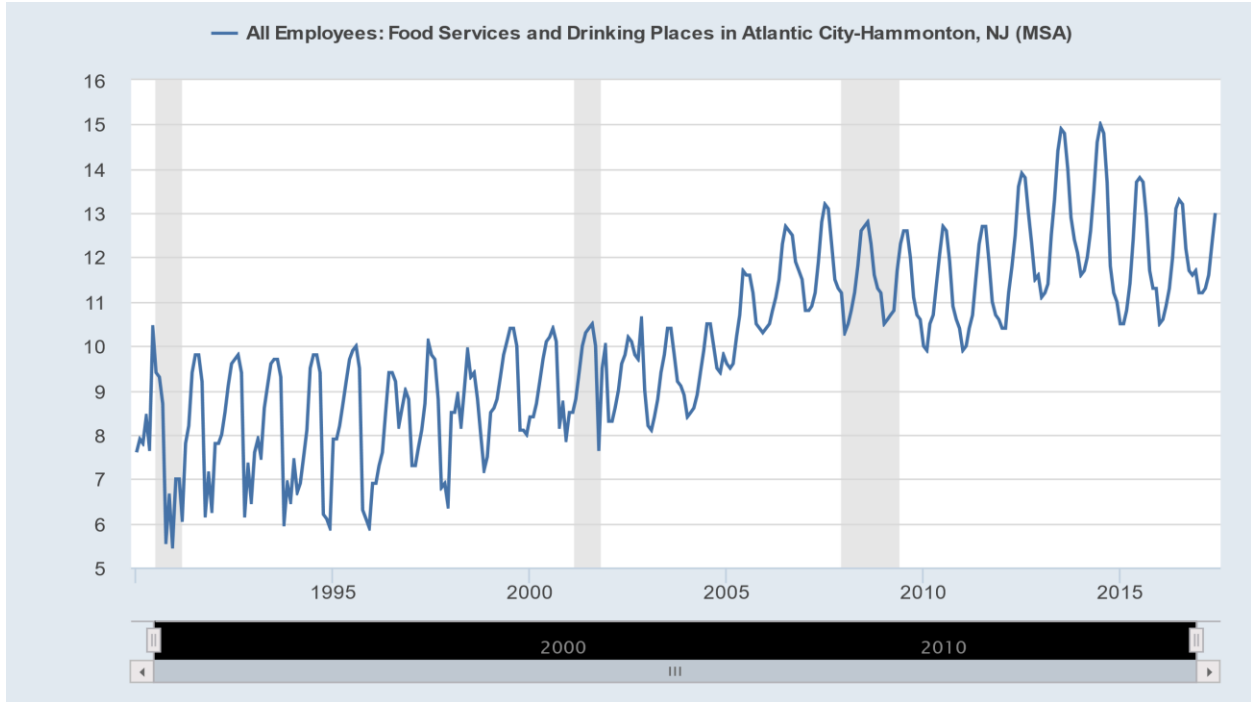


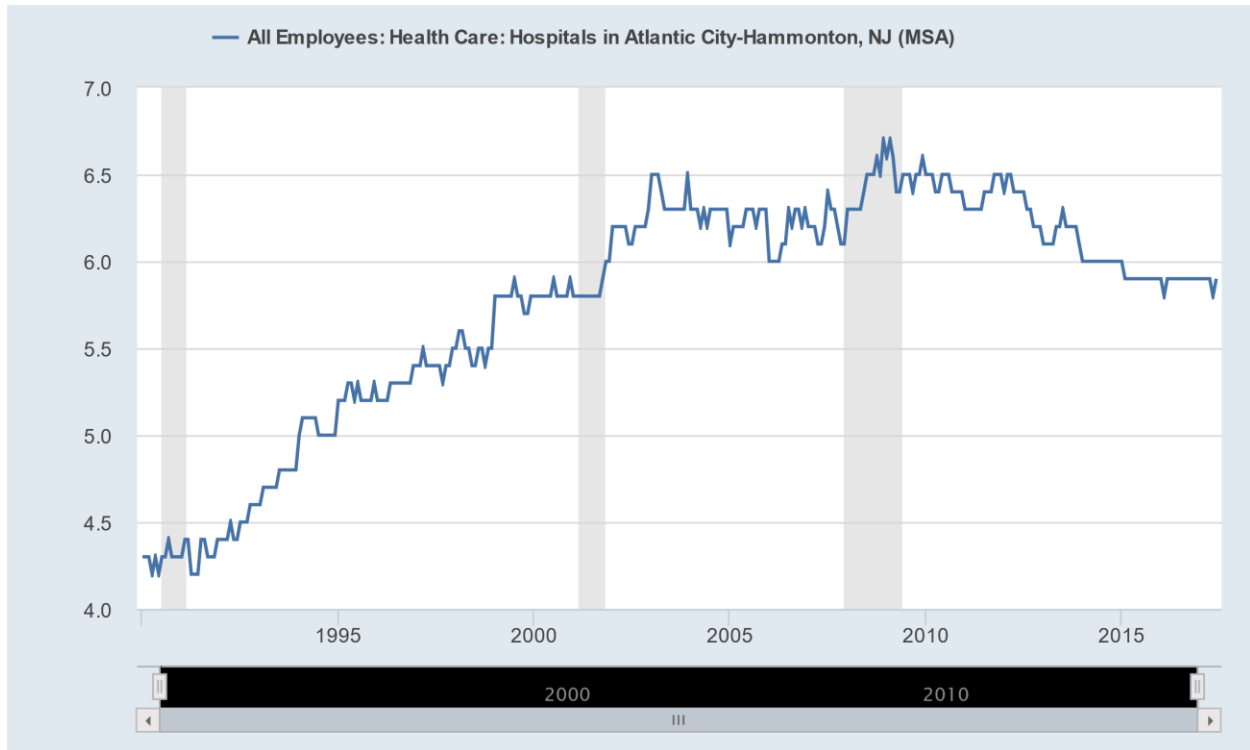
Figure 16: Government Employees in Atlantic County, 1990 to 2017



Government jobs in Atlantic County peaked in May 2010 at 24,300 and has recovered slightly from a 15-year low of 21,600 in December 2016, a drop of more than 10 percent. Atlantic City alone has reduced staff by several hundred employees.

Employment in the health care industry is also in decline as the population and number of jobs with benefits decrease. The health-care industry has lost 800 employees since the Great Recession.

Figure 17: All Employees in Health Care in Atlantic County, 1990 to 2017



Tourism Trends

Statistics compiled in 2016 by “*Tourism Economics*” for the New Jersey Division of Travel & Tourism indicate that tourism sales in New Jersey are promising. Despite storms, casino closures and sluggish economic growth, 2016 marked the seventh straight year of spending and visitation growth. The tourism industry grew 2.9 percent in 2016 to reach \$44.1 billion.

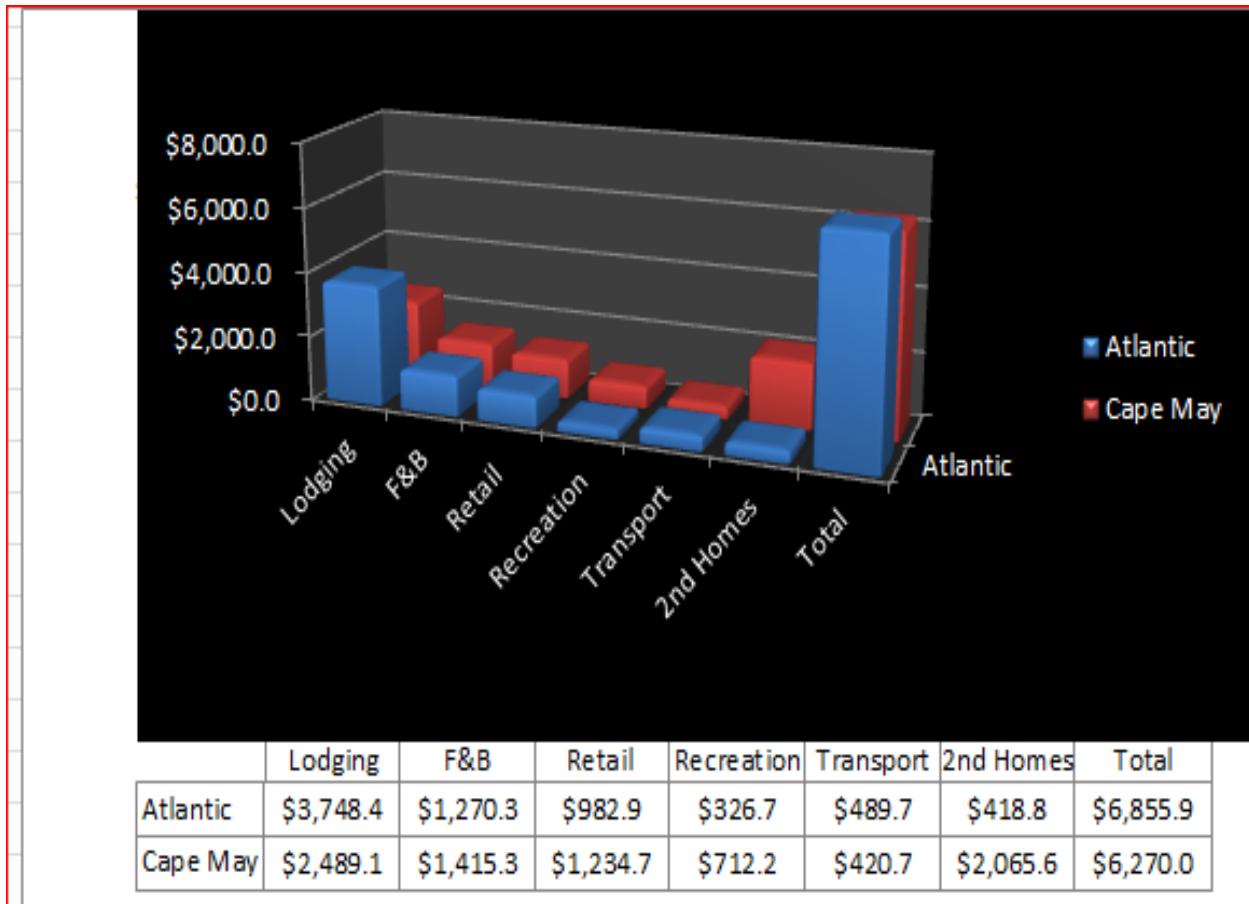
Atlantic County saw a 2.5 percent increase in tourism-industry sales in 2016 to \$6,856 million, making Atlantic County the strongest tourism County in the State, generating 16.4 percent of the statewide sales.

The Atlantic County tourism industry has tremendous growth potential as the regional economy is diversified; the barrier island communities continue to shift to second home ownership; retail growth continues; distilleries, wineries and breweries expand; arts and cultural activities and true

international resort hotels such as the Hardrock Casino Hotel and MGM Borgata Casino Hotel, flex their marketing muscle.

A comparison of a breakdown of 2016 tourism direct sales in Atlantic and Cape May Counties revenues helps to identify this growth potential for Atlantic County.

Figure 18: Tourism Direct Sales in Atlantic County & Cape May County (millions of dollars)



The largest spread between the two counties is the second home market. Since Superstorm Sandy in 2012, Longport, Margate, Ventnor and Brigantine have lost over 20 percent of their school age population. Families and seniors continue to exit the islands, being replaced in large part by second homeowners who are building their new beach house in Atlantic County. These seasonal residents will quickly convert the islands to seasonal communities with higher disposable incomes and new demands for goods and services. There is significant capacity for tourism direct sales growth in the second home market and this market trend will have an impact on Egg Harbor Township especially, West Atlantic City, Anchorage Pointe and Seaview Harbor.

Likewise, as second home ownership and tourism destinations continue to grow – retail services will shift to meet the demands of the region’s demographics. Again, the comparison between Cape May and Atlantic Counties helps to demonstrate the growth potential in retail. Cape May, with a smaller, shrinking population outpaces Atlantic County in tourism retail sales due to its changing demographics and income levels. This growth can be clearly witnessed in Egg Harbor Township especially along the Route 40/322 Corridor.

Recreational attractions also have growth potential in Atlantic County. While Atlantic County has many of the same recreational features as Cape May County, Atlantic County does not market their resources anywhere near the way they are promoted in Cape May. This speaks to the reason why the ACEA has partnered with the Southern Shore Regional Destination Marketing Organization (SSRDMO). This growth will also benefit Egg Harbor Township with its many golf courses, parks, nature preserves, open space and recreational facilities.

Even food and beverage has room for growth, despite the many restaurants in Atlantic County. Again, Egg Harbor Township is well positioned to see this development give the good highway access that existing in the Township.

Each sector of the tourism economy grew in Atlantic County in 2016, and now that the casino downturn has stopped and the Hard Rock Casino Hotel, mainland hotels, retail opportunities and breweries will open in 2018, this trend should continue. Another factor in the projected growth of the tourism economy is the partnership between Atlantic County and Cape May and Cumberland counties to market the region together through the Southern Shore Regional Destination Marketing Organization.

Figure 19: Tourism Direct Sales in Atlantic County (millions of dollars)

Sector	2015	2016
Lodging	3,668.4	3,741.4
Food & Beverage	1,248.7	1,270.3
Retail	976.1	982.9
Recreation	359.7	371.7
Transport	467.2	489.7
Second Homes	410.6	418.8
Total	6,720.1	6,855.9

Atlantic County has also witnessed growth in direct tourism employment in 2015, from 47,620 in 2015 to 48,131 in 2016. This trend is expected to continue given the growth planned in many business sectors including the casino, hotel, restaurant, retail, winery, distillery and brewery businesses.

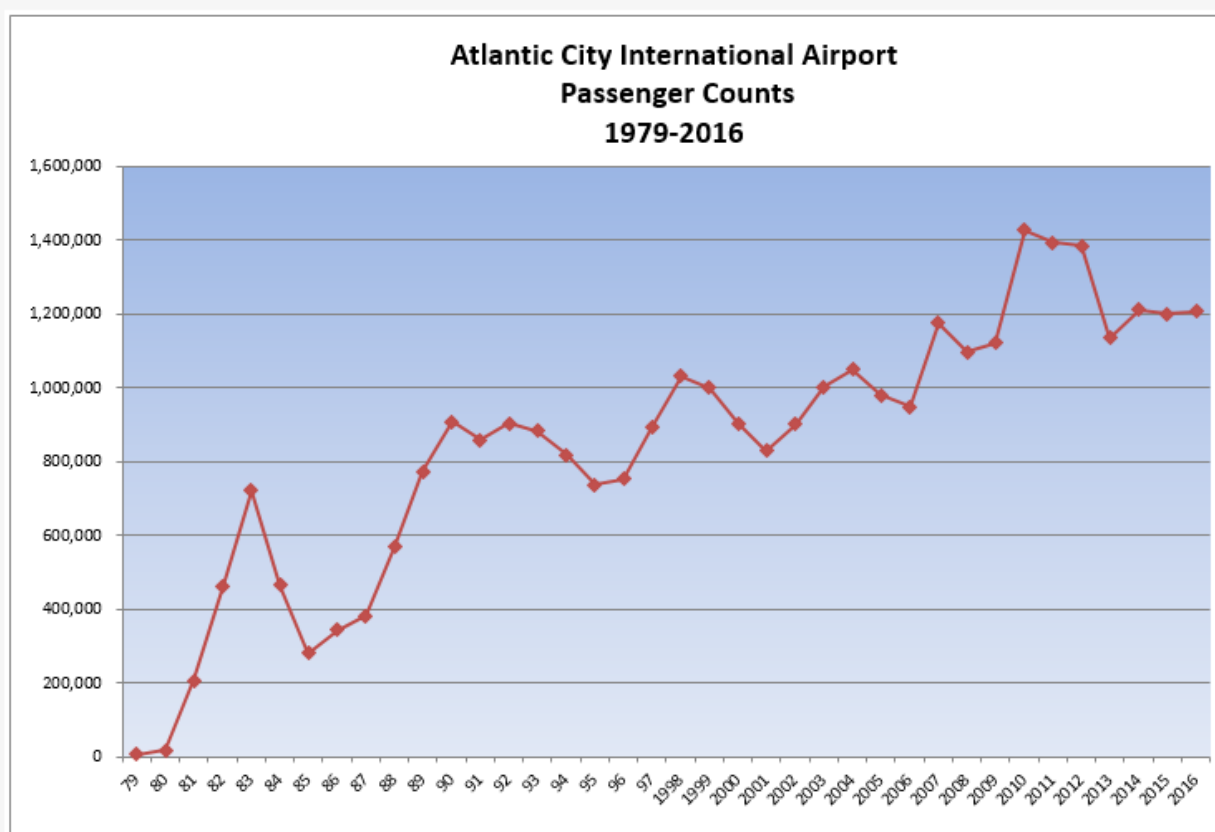
Atlantic County generated 16.4 percent of the total tourism sales in New Jersey, and together with Cape May (15 percent) and Cumberland Counties (0.83 percent), the Southern Shore Regional Destination Marketing Organization (SSRDMO) region generated over 32 percent of New Jersey’s tourism-related revenue in 2016. Over \$13.4 billion was generated in this region

in 2016 alone. Yet the Southern Shore Region only received 14 percent of the State grant funds for Destination Marketing Organizations (DMOs) in 2017.

It is strongly recommended that the State evaluate the funding formula for Destination Marketing Grants and allocate increased funding to Super DMOs, like the SSRDMO. By providing additional funding we can grow this tourism market, which will benefit the entire State of New Jersey.

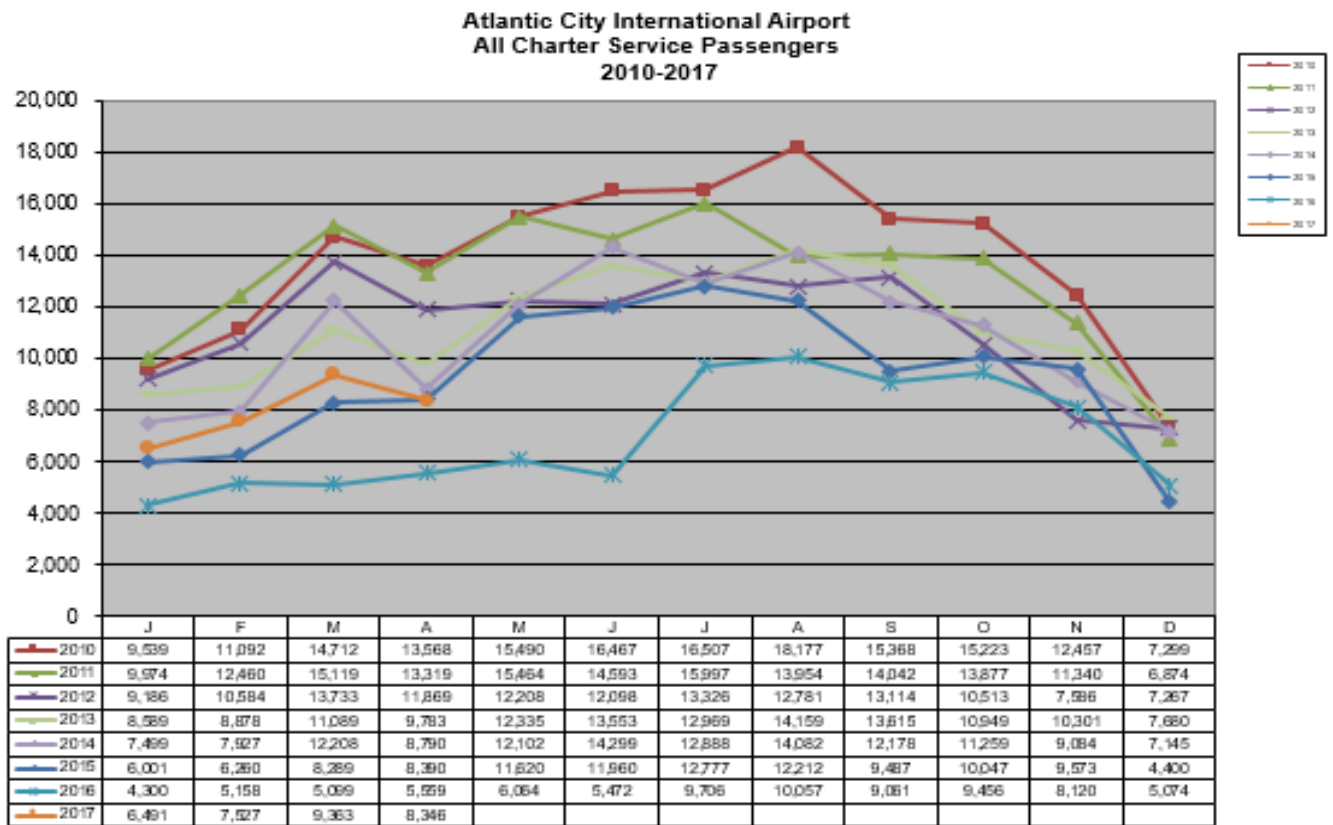
One driver of the tourism economy in Atlantic County is activity at the Atlantic City International Airport which is located in Egg Harbor Township. Total passengers peaked in 2010 at approximately 1.4 million and dropped to 1.2 million in 2012 and has stabilized.

Figure 20: Atlantic City International Airport Passenger Counts, 1979 - 2016



Monthly charter passengers has dropped from a high of 18,000 in August 2010 to about 10,000 in August 2016. In the first quarter of 2017, charter flights rebounded due as a result of casino charters with Caesars (Total Rewards Air) inheriting larger airplanes under one of their current charter service agreements, and the Borgata (FlyBorgata) flying more routes and frequencies concurrent with new MGM ownership. Charter flights are expected to continue to grow when Hard Rock Casino Hotel enters the Atlantic City market.

Figure 21: Atlantic City International Airport – All Charter Service Passengers, 2010 - 2017



Despite this recent good news, the fact remains that recovery of Atlantic City and the surrounding region will take many years. By virtually any measure, Atlantic County’s economy has just experienced a lost decade. This decade commenced with the onset of the national housing crisis in 2006. That crisis played a key role in precipitating the Great Recession beginning in December 2007, and the ensuing financial crisis which began in the fall of 2008.

The impact of the local area economies on its residents’ welfare has been stark. The metropolitan area’s official poverty rate climbed from 9.2 percent in 2006 to 14.3 percent in 2015, while the poverty rate for those younger than 18 years old rose to 22.3 percent from 13.2 percent. Household food stamp reciprocity (SNAP benefits) increased from 4.6 percent in 2006 to 15 percent in 2015. In 2000, unemployment insurance, Medicaid benefits, and other income maintenance transfers (SSI, SNAP, and EITC benefits) totaled \$374 million or 4.7 percent of total personal income in Atlantic County. By 2015, the value of those transfers had climbed to \$907 million or 7.6 percent of total personal income.

Demographic Trends

Following a decade of rapid growth from 1997 until the recession of 2007 put the brakes on the national and regional economies, the overriding concerns of the growth communities in Atlantic County revolved around the accommodation of this growth. On the mainland, this growth was most pronounced in residential, retail and school expansion. Adding to the economic downturn, the contraction of the casino industry, the impacts of Superstorm Sandy, and the declines in income and population, an unstable economy is a determinant in planning for the future.

In general, the region is in what can at its best be described as a holding pattern. As the table below reports, the period of growth that characterized most sectors of the region from 1997 – 2006, when Atlantic County led the State in many positive indicators, is now over. During that period, Egg Harbor Township experienced a 30 percent increase in population.

As the figure below reports, a reversal in growth and even decreases in actual levels of population have been the trend throughout Atlantic County.

Figure 22: Population Estimates for Atlantic County Communities, 2011, 2013, 2015

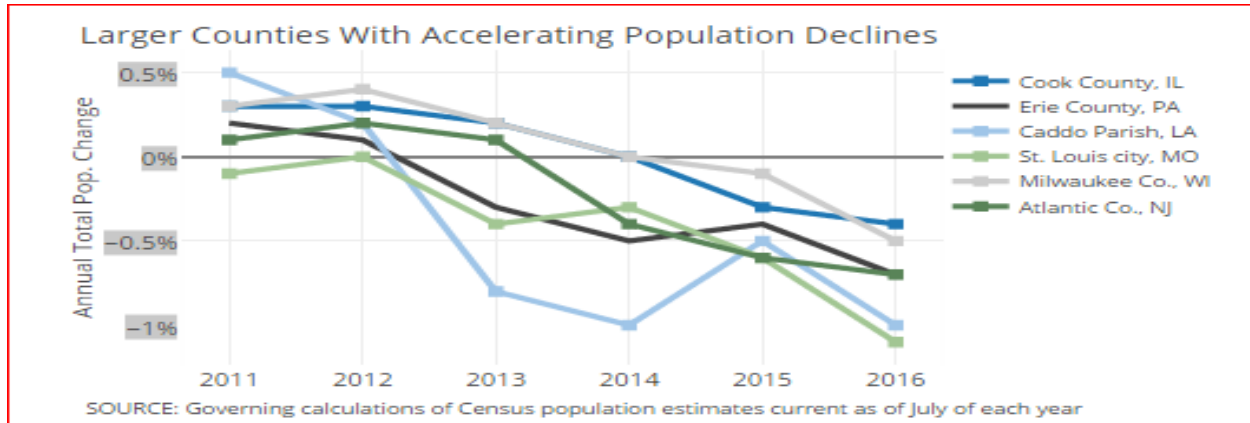
BUILDING A STRONGER COMMUNITY: EHT				
POPULATION ESTIMATES, 2011 - 2015				
CRBR, NOVEMBER 2016				
<u>Area Name</u>	<u>2011</u>	<u>2013</u>	<u>2015</u>	<u>%ch, 2011 - 15</u>
Atlantic County	275,078	276,321	274,219	-0.3%
Absecon	8,414	8,410	8,317	-1.2%
Egg Harbor Twsp.	43,576	43,990	43,882	0.7%
Galloway	37,375	37,631	37,291	-0.2%
Hamilton	26,749	26,960	26,787	0.1%
Linwood	7,081	7,071	6,973	-1.5%
Northfield	8,624	8,615	8,521	-1.2%
Somers Point	10,803	10,811	10,688	-1.1%
Ventnor	10,641	10,626	10,486	-1.5%

Governing Data graphs larger counties with accelerating population declines. As the figure below shows, mounting losses from outmigration have led to recent declines in Atlantic County, N.J.; Erie County, Pa.; and other larger northern counties (see Figure 23).

In addition to having fiscal impacts, a stagnation or decline in population puts competitive pressures on individual businesses as well as on competing business districts. This demographic shift has also resulted in an aging of the local population as younger households do not immigrate to the region in search of jobs, which are now difficult to find.

Given the fact that the Millennial generation has surpassed Baby Boomers as the nation’s largest living generation, they need to be carefully considered. Millennials, who are defined as those ages 20-36 in 2017, now number 75.4 million, surpassing the 74.9 million Baby Boomers (ages 53-71).

Figure 23: Population Declines Among Larger Counties, 2011 - 2016



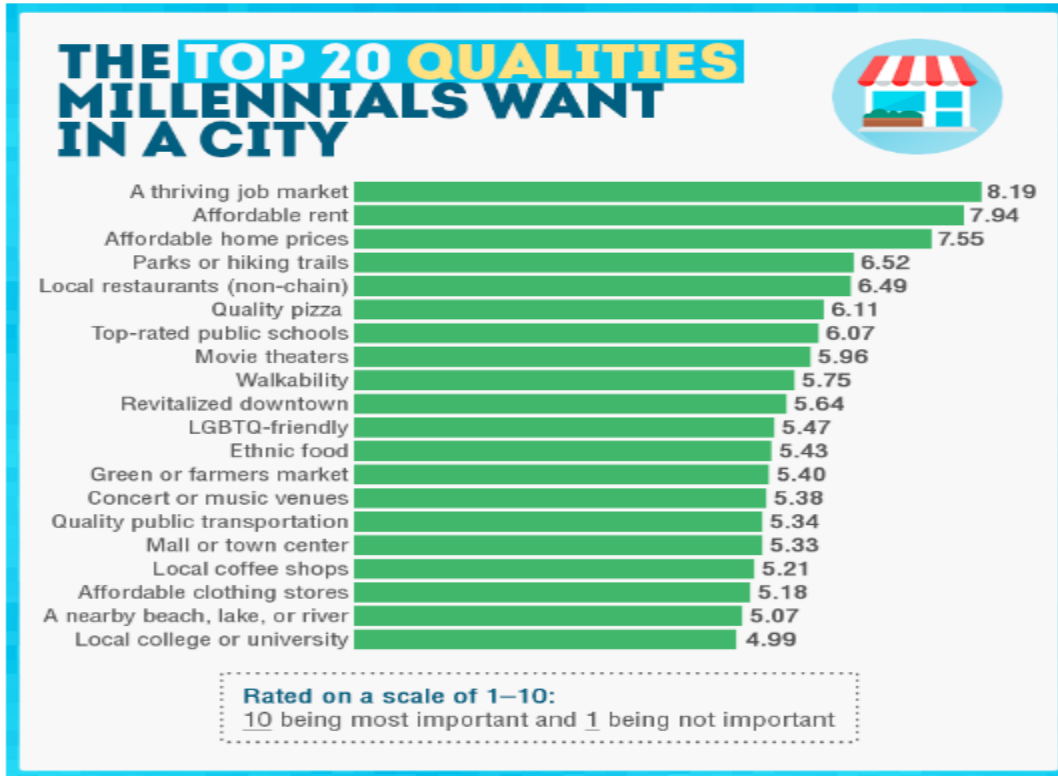
<http://www.governing.com/topics/urban/gov-urban-counties-lose-population-2016.html>

To find out what Millennials really want in a community, Abodo, a web portal for apartment rentals, surveyed 2,000 people born between 1982 and 1998 to determine just what qualities are important to them. Respondents rated 20 qualities on a 1-to-10 scale, with 10 connoting the highest importance. It turns out, the top three qualities Millennials want in a community are economic in nature: a thriving job market (average score: 8.19), affordable rent (7.94) and affordable home prices (7.55). Beyond those three core needs, the ratings for quality of life metrics were fairly evenly dispersed.

Rounding out the top ten on the list were parks or hiking trails (6.52), non-chain restaurants (6.49), quality pizza (6.11), movie theaters (5.96) walkability (5.75) and revitalized downtowns (5.64).

With the Technical Center hiring 300 to 400 workers annually and many of them being highly paid Millennials, this generation provides an opportunity for Egg Harbor Township. Egg Harbor Township is too large and the challenges too great to realistically transform it into an entire community populated by Millennials (at least before they reach retirement age). However, Egg Harbor Township can create an intriguing millennials work/home environment. By locating a company headquarters in the Township in a site like that of the Cardiff Power Center, one can create an attractive work/life environment. Egg Harbor Township has affordable housing and many of the other desired attributes. Atlantic City is just a 15-minute Uber ride away and provides a young workforce with a great nightlife (restaurants and bars).

MILLENNIALS' MOST-DESIRED CITY FEATURES



<https://www.abodo.com/blog/living-millennial-dream/>

One of the important indicators of the future demographics of any region is the number of births, an indicator of the number of younger households in- or out-migrating. This is also an indicator of school enrollments in the future. It will also influence retail purchasing patterns over time. As shown, births in the County have declined in general beginning in 2011, and Egg Harbor Township births declined from 552 in 2012 to 481 in 2014, the last year where data is available. In addition, births have declined faster than the rest of the County, falling from 16.8 percent of total County births in 2012 to 15.6 percent in 2014.

While many of the shore towns from Brigantine to Cape May City experienced declines in births before the recession as a consequence of rising home prices, the current declines are clearly a consequence of the lack of employment possibilities. The in-migration of younger households has been replaced by an overall out-migration, making this new trend a local focus of businesses, school boards and zoning boards. This issue has begun to define Egg Harbor Township and the other growth communities as tax bases and school populations decline. The need to create and retain employment opportunities internally as opposed to the 40-year need to provide workers for Atlantic City has become the future of economic development for the mainland.

Figure 24: Birth Rates for Atlantic County Communities, 2010 - 2014

BUILDING A STRONGER COMMUNITY: EHT										
BIRTHS, BY PLACE OF RESIDENCE										
CRBR, NOVEMBER 2016										
Mother's Municipality										
<u>Year</u>	<u>Absecon</u>	<u>EHT</u>	<u>Galloway</u>	<u>Hamilton</u>	<u>Linwood</u>	<u>Northfield</u>	<u>Somers Pt.</u>	<u>Ventnor</u>	<u>Atlantic Cnty</u>	<u>EHT % of Cnty.</u>
2010	82	480	339	301	55	65	130	110	3,282	14.6%
2011	89	521	353	354	51	83	143	111	3,465	15.0%
2012	93	552	342	313	52	74	147	86	3,291	16.8%
2013	90	501	330	356	39	63	132	105	3,163	15.8%
2014	94	481	362	306	48	70	146	82	3,076	15.6%
Total	448	2,535	1,726	1,630	245	355	698	494	16,277	15.6%

This issue is of particular interest at this time as housing values have fallen significantly in the region and have not recovered as they have in other parts of New Jersey and the nation. As the table below shows, this trend is evident on the barrier islands as well as on the mainland. With continued uncertainty about the major employment sector in the region, Egg Harbor Township with its many casino industry employees will continue to see a shift in housing tenure, ownership and price. The number of properties in foreclosure, abandoned or under water will continue to put downward pressure on values.

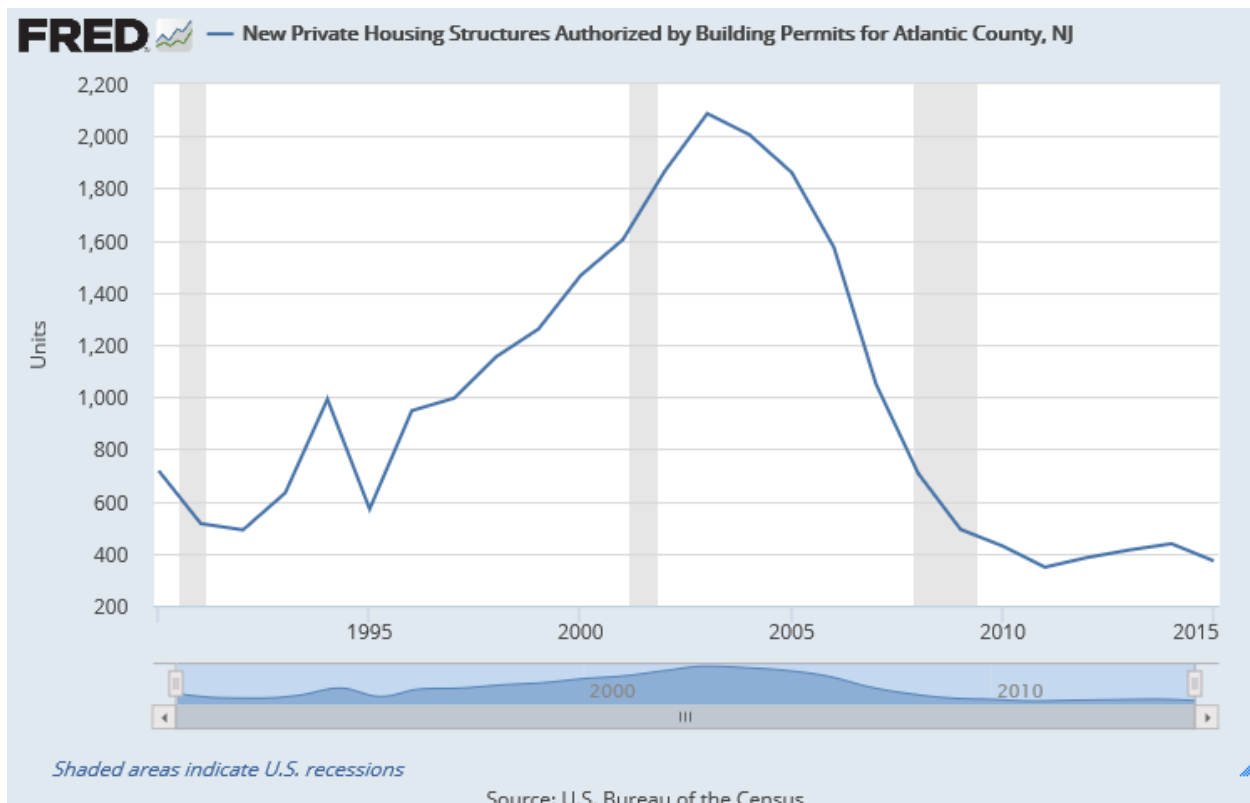
Figure 25: Average Residential Sales Prices for Atlantic County Communities, 2007, 2015

BUILDING A STRONGER COMMUNITY: EHT			
AVG. SALES PRICE, RESIDENTIAL			
CRBR, NOVEMBER 2016			
<u>Muni/Year</u>	<u>2007</u>	<u>2015</u>	<u>% Change</u>
Absecon	\$230,291	\$188,878	-18%
Atlantic City	\$258,457	\$127,629	-51%
Egg Harbor Twsp.	\$275,049	\$244,685	-11%
Galloway	\$224,560	\$177,789	-21%
Hamilton	\$214,347	\$171,112	-20%
Linwood	\$397,670	\$234,082	-41%
Northfield	\$290,974	\$222,698	-23%
Somers Point	\$304,194	\$223,586	-26%
Ventnor	\$468,523	\$345,435	-26%

National foreclosure activity dropped significantly in 2016 to its lowest point in 10 years, according to the 2016 U.S. Foreclosure Market report from ATTOM Data Solutions, a fused property database. Foreclosure filings, including default notices, scheduled auctions and bank repossessions, occurred at 933,045 properties in 2016, down 14 percent from 2015's 717,522 properties. This marked the lowest level of filings since 2006. Atlantic County continues into its third year as the nation's leading metro area for foreclosure activity. According to RealtyTrac, in March 2017 there were 919 properties in Egg Harbor Township in some stage of foreclosure while the number of homes listed for sale on RealtyTrac was 209.

The overall housing market in Atlantic County never recovered since the housing bubble burst in 2006. Atlantic County building permits (all new housing) have exceeded 150 permits in a single month only once in the past ten years. For comparison, from October 1998 to December 2013 Atlantic County municipalities issued over 150 building permits in each and every month. In October 2003, Atlantic County building permits issued peaked at 430 building permits. The Great Recession, decline of the Atlantic City gaming industry and Superstorm Sandy all had a devastating negative impact on new housing construction.

Figure 26: New Private Housing Units Authorized by Building Permits for Atlantic County 1988 - 2017



While shore communities continue to experience demand from second-home owners, the mainland communities have not seen an increase in retirees or millennials to help keep values buoyant. One indicator of both housing affordability and disposable income is household

income. As shown below, the County has had a decline in median household income from 2010 – 2014. In the same period, the State of New Jersey had a 3.2 percent increase.

While Egg Harbor Township held its own during this period, the overall consequence to the region in terms of business development indicates a loss of purchasing power by residents and an indication that the year-round businesses that service locals could have trouble staying in business. This has already begun to impact the retail furniture businesses in the area, a sign that homeowners have curtailed their discretionary spending.

Figure 27: Median Household Income for Atlantic County Communities, 2010, 2014

BUILDING A STRONGER COMMUNITY: EHT				
MEDIAN HOUSEHOLD INCOME, ACS 2010 -2014				
CRBR, NOVEMBER 2016				
<u>Year</u>	<u>2010</u>	<u>2014</u>	<u>% change</u>	<u>% of County</u>
Atlantic County	\$54,768	\$54,392	-0.7%	100%
Absecon	\$64,370	\$61,199	-4.9%	113%
Egg Harbor Twsp.	\$69,754	\$71,868	3.0%	132%
Galloway	\$65,908	\$63,444	-3.7%	117%
Hamilton	\$59,085	\$61,233	3.6%	113%
Linwood	\$80,516	\$88,542	10.0%	163%
Northfield	\$70,980	\$67,528	-4.9%	124%
Somers Point	\$47,312	\$47,945	1.3%	88%
Ventnor	\$52,465	\$50,129	-4.5%	92%

One of the obvious ways to ameliorate these difficulties is to augment the local availability of disposable income by attracting outside dollars through the attraction or expansion of commercial entities. This can be by competing for local dollars with neighboring municipalities or by attracting businesses that sell goods outside the region. Examples of both strategies include South Jersey Industries moving its corporate offices from Folsom to Atlantic City and the resurgence of the Lenox property by a manufacturer that sells its products throughout the Mid-Atlantic region. In Egg Harbor Township, the recent move and expansion of Tuckahoe Brewery is another example.

As has been the case for many Atlantic County communities, the foreclosures and lack of employment has resulted in a significant level of tax appeals and slight decline in the ratable base. Even a minor decline in the ratable base makes it a challenge to continue to provide a full array of services and to fund capital needs. This phenomenon makes it even more important to activate a strong, comprehensive economic development strategy to attract non-residential development to Egg Harbor Township.

Figure 28: Net Taxable Value of Property in Egg Harbor Township, 2010 - 2015

Year	Net Taxable Value
2010	\$2,577,775,392
2011	\$2,576,920,800
2012	\$2,567,152,785
2013	\$4,077,433,434*
2014	\$4,084,839,929
2015	\$4,074,216,362

* Revaluation in 2013

Source: Atlantic County Board of Taxation

E. UNDERSTANDING THE REGIONAL MARKETPLACE

To better understand Egg Harbor Township’s place in the regional marketplace, the American Community Survey (ACS) by the U.S. Census Bureau – which reports demographic, social, economic and housing data at the local level in years between the decennial census – allows the timeliest snapshot of the Township. Using this data in comparison to that of surrounding communities provides the relative position of the Township in relationship to the rest of the region. The next section provides much of that context.

The municipalities used in the accompanying figures are meant to be instructive but are also those that could be considered as “competition” in terms of business and spending attraction. Information for all municipalities in the region is available at:
http://lwd.dol.state.nj.us/labor/lpa/acs/2014/acs14_5Yr_MCD_ATL_ndx.html.

Some highlights of the above table on *Demographic Comparisons* are highlighted in green and include:

- a) The 41.2 percent of households with a person under 18 years of age is the highest in the region. As the Township expanded its capacity to educate on the K–12 level, the relative age of the Township remained fairly low. With 24 percent of its households having a 65+ member, the growth townships have so far experienced less demand for senior services compared to other municipalities with higher percentages of senior citizens.
- b) Egg Harbor Township’s residents are relatively well educated with 30 percent of households having a person with a bachelor’s degree or higher. However, Linwood and Northfield have retained their long-term role for being the preferred communities for professionals, including those from the Technical Center. This is both a consequence and a cause for the high quality of schools in these communities.
- c) While 21.9 percent of working residents are employed in the hospitality industry, there is not an over-reliance on this sector. Egg Harbor Township has not experienced as much an impact from casino closures as other municipalities on a relative basis, but this does

not include the secondary sectors impacted. The high percentage of those on SNAP (7.3 percent) attests to the overall impact. This is further reflected in Figure 30, which shows unemployment rates for the municipalities in the County.

- d) As reflected in the wide array of ethnic eating places, the population is disproportionately – compared to the County and many surrounding communities – Asian and Hispanic.
- e) Egg Harbor Township has a low incidence of renter-occupied housing units at 13.4 percent despite having one of the largest percentage of trailer homes in the State. Unfortunately, this has probably negatively impacted its rate of foreclosures as residents owning homes have much more severe consequences when payments cannot be made.

Figure 28: Demographic Comparisons for Various Atlantic County Communities

BUILDING A STRONGER COMMUNITY: EHT								
DEMOGRAPHIC COMPARISONS, ACS 2014								
CRBR, NOVEMBER 2016								
Subject	Absecon	EHT	Galloway	Hamilton	Linwood	Northfiel	Somers Pt.	Ventnor
HOUSEHOLDS BY TYPE								
Total households	3,247	14,854	10,520	8,915	2,537	3,089	4,759	4,170
Households with one or more people under 18 years	28.4%	41.2%	36.0%	37.0%	32.7%	36.9%	30.2%	23.4%
Households with one or more people 65 years and over	32.0%	24.2%	25.4%	19.1%	35.5%	32.9%	24.4%	37.6%
EDUCATIONAL ATTAINMENT								
Percent high school graduate or higher	87.1%	89.4%	89.4%	85.5%	93.5%	92.6%	89.2%	87.5%
Percent bachelor's degree or higher	28.8%	29.6%	28.7%	22.7%	45.0%	32.7%	21.1%	27.6%
COMMUTING TO WORK								
Public transportation (excluding taxicab)	2.6%	1.8%	3.1%	6.0%	0.8%	0.8%	5.2%	21.1%
OCCUPATION								
Civilian employed population 16 years and over	4,176	21,524	17,595	12,502	3,345	4,182	5,505	4,819
Management, business, science, and arts occupations	35.5%	33.8%	29.5%	27.9%	48.7%	36.1%	27.4%	28.0%
Service occupations	26.6%	27.6%	27.7%	33.0%	16.2%	27.4%	36.4%	35.9%
Sales and office occupations	24.5%	23.6%	28.2%	25.0%	22.2%	24.7%	21.7%	19.8%
Natural resources, construction, and maintenance occupations	7.6%	7.2%	7.7%	7.8%	6.2%	6.3%	9.3%	10.6%
Production, transportation, and material moving occupations	5.8%	7.8%	6.8%	6.3%	6.8%	5.4%	5.2%	5.7%
INDUSTRY								
Arts, entertainment, recreation, gaming, accommodation, food services	26.4%	21.9%	27.1%	27.1%	15.2%	27.3%	12.7%	38.3%
INCOME AND BENEFITS								
With Food Stamp/SNAP benefits in the past 12 months	4.2%	7.3%	2.0%	5.7%	3.8%	5.4%	6.6%	18.6%
PERCENTAGE OF PEOPLE BELOW THE POVERTY LEVEL								
All people	7.2%	9.8%	6.6%	10.2%	1.9%	10.7%	12.7%	16.6%
HOUSING TENURE								
Occupied housing units	3,247	14,854	10,520	8,915	2,537	3,089	4,759	4,170
Owner-occupied	83.4%	86.6%	81.0%	79.5%	86.0%	90.4%	59.9%	58.5%
Renter-occupied	16.6%	13.4%	19.0%	20.4%	14.0%	9.6%	41.1%	41.5%
MONTHLY HOME OWNER COSTS, % OF INCOME								
35.0 percent or more	44.4%	38.7%	40.9%	42.2%	33.5%	42.6%	35.4%	51.1%
SEX AND AGE								
Median age (years)	46.3	39.3	28.8	37.1	47.3	44.8	42.0	42.9
RACE								
Total population	8,400	43,699	36,547	25,643	7,071	8,616	11,038	10,632
White	83.7%	70.1%	73.8%	69.1%	96.7%	91.6%	79.9%	80.5%
Black or African American	7.8%	12.2%	11.1%	15.2%	1.8%	1.6%	13.0%	2.1%
American Indian and Alaska Native	0.3%	1.5%	0.1%	0.1%	0.4%	0.5%	0.0%	0.0%
Asian	7.3%	12.2%	9.4%	6.0%	2.0%	6.4%	1.8%	13.5%
Hispanic or Latino (of any race)	10.3%	16.2%	10.2%	14.5%	4.2%	9.3%	9.4%	19.7%

Figure 30: Unemployment Rates for Atlantic County Municipalities, 2015

BUILDING A STRONGER COMMUNITY: EHT				
AVERAGE LABOR FORCE ESTIMATES, 2015				
CRBR, NOVEMBER 2016				
County/Municipality	Labor Force	Employment	Unemployment	Rate (%)
Longport	354	336	18	5.1
Linwood	3,319	3,125	194	5.8
Margate	2,804	2,622	182	6.5
Corbin City	253	234	19	7.5
Northfield	4,063	3,758	305	7.5
Port Republic	572	526	46	8.0
Hammonton	7,137	6,557	580	8.1
Brigantine	4,684	4,284	400	8.5
Galloway	18,069	16,525	1,544	8.5
Ventnor City	4,826	4,417	409	8.5
Estell Manor	807	738	69	8.6
Folsom	839	767	72	8.6
Hamilton	13,017	11,896	1,121	8.6
EHT\	21,272	19,426	1,846	8.7
Weymouth	1,232	1,124	108	8.8
Absecon	4,261	3,881	380	8.9
Somers Point	5,187	4,718	469	9.0
Atlantic County	127,666	115,704	11,962	9.4
Egg Harbor City	1,971	1,776	195	9.9
Buena	2,096	1,883	213	10.2
Buena Vista	3,411	3,064	347	10.2
Pleasantville	9,062	8,009	1,053	11.6
Mullica	2,514	2,220	294	11.7
Atlantic City	15,913	13,819	2,094	13.2

One final indicator of Egg Harbor Township’s place in the regional marketplace is the industrial sectors that characterize its businesses. Figure 31 the latest information on the Township’s business community with regards to how it compares to the rest of the County (minus Atlantic City). The Township’s share of County employment was 19.9 percent in 2015 or 16,095. This is by place of business and not by place of residence. The relative share column shows in which sectors the Township is under- or overrepresented compared to its overall share.

The relative shares highlighted in green are those in which the Township has exceeded its overall 19.9 percent share or nearly matched it. These are the sectors in which Egg Harbor Township out-performs the County.

Figure 31: Employment by Place of Business, 2015

BUILDING A STRONGER COMMUNITY: EHT						
EMPLOYMENT BY PLACE OF BUSINESS, 2015						
CRBR, NOVEMBER 2016						
INDUSTRY/EMPLOYMEN	EHT	COUNTY	EHT	RELATIVE	SHARE	SHARE
		(MINUS ATL CITY)	SHARE			
TOTAL	16,095	80,781	19.9%			
Agriculture	.	1,629				0.0%
Utilities	111	491	22.7%			2.8%
Construction	1,228	5,734	21.4%			1.5%
Manufacturing	291	3,479	8.4%			-11.6%
Wholesale Trade	498	2,869	17.3%			-2.6%
Retail Trade	2,957	18,086	16.4%			-3.6%
Transp/Warehousing	316	2,343	13.5%			-6.4%
Information	187	686	27.2%			7.3%
Finance/Insurance	233	2,750	8.5%			-11.5%
Real Estate	218	3,970	5.5%			-14.4%
Professional/Technical	1,187	4,032	29.4%			9.5%
Admin/Waste Remediation	551	3,042	18.1%			-1.8%
Education	165	1,410	11.7%			-8.2%
Health/Social	2,404	10,532	22.8%			2.9%
Arts/Entertainment	337	2,030	16.6%			-3.3%
Accommodations/Food	1,355	4,515	30.0%			10.1%
Other Services	322	3,027	10.6%			-9.3%
GOVT.	3,737	10,156	36.8%			16.9%

By far the strongest sector for Egg Harbor Township is government, reflecting the very large school district. While the Township is also strong in accommodations and food places, it is also overrepresented in information and professional/technical job sectors. This reflects the FAA employees and contractors in the Township as well as a recent increase in the health services sector driven by changes in how that industry delivers its services. This comparative advantage presents an opportunity for high-skilled jobs. On the underrepresented side, the Township has a deficit in the real estate and finance/insurance sectors.

In summary, the three-growth townships of Egg Harbor, Galloway and Hamilton, with their large land areas and populations, are mainstream in terms of demographic characteristics since they dominate the mainland part of the County. As the need to develop new commercial establishments and industries becomes paramount to stabilizing and strengthening their communities, they will begin to compete more than they have over the past 40 years in the casino era. While development of retail and residential properties was virtually mandated to them by the Pinelands Master Plan, the ability to diversify will demand new ideas and strategies.

F. IMPLICATIONS

The various trends discussed above lead us to make a series of observations regarding what needs to be done to create a successful economic development strategy for Egg Harbor Township.

Prioritizing Economic Development Resources

Sea level rise will require that additional infrastructure resources will need to be targeted to shore protection and resiliency. Clearly, the tourism and recreational industries are critical to the future of the Township and the region. The Township will have to work closely with the County and State to ensure a fair and equitable distribution of federal and other funding between coastal infrastructure and other infrastructure needs.

Diversification of the Regional Economy

The decline of the gaming industry in Atlantic City eliminated many jobs throughout the region – not just casino jobs but service jobs that were housed in Egg Harbor Township and nearby communities. According to ESRI data, job growth in the region over the coming years is anticipated to be slow, rising at less than one percent annually. This will not be quick enough to reduce the high unemployment rates. 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 or workers will have to look outside of the region for work. The Atlantic County Economic Alliance has been formed for this very reason and its success will influence the potential for economic diversification in the areas of aerospace and avionics, life sciences, specialty manufacturing and business services.

Diversification of the Tourism Industry

Building on the strong tourism base in Egg Harbor Township, it is important that the Township and the region continue to diversify their 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 redevelopment of existing tourism venues. The Atlantic County Economic Development Strategy and Action Plan by AngelouEconomics discusses the potential opportunities for growth in several subsectors of the economy, including the wine industry, aquaculture, and ecotourism.

The Educational Gap

The five target industries and niches defined in the AngelouEconomics plan include aerospace and avionics, life sciences, tourism, specialty manufacturing and business services. The current educational attainment of the region's population points to an ability to accommodate growth in tourism, specialty manufacturing and business services. Technology, health care, professional

services and educational services all require degrees of higher education or specialized training. The region's workforce training partnerships must focus on regional trends and ensure that training and educational programs are keeping up with business and industrial demands. Stockton University, Atlantic Cape Community College, the Atlantic County Institute of Technology and the Atlantic Cape Workforce Development Board can be key partners in helping to bridge educational and training gaps.

Land Use Strategies

The population growth in Egg Harbor Township and the region is anticipated to be modest over the coming years. This modest growth may be a positive trend for economic development opportunities. The Township has many undevelopable areas that are protected by open space restrictions and Coastal Zone (CAFRA) regulations. Hence, there are diminishing areas for new industrial and commercial growth. The Township must 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 economic redevelopment; promoting redevelopment in areas of the Township that are particularly distressed or on tracts of land that are underutilized can also encourage new investment and economic growth.

G. MARKETING ANALYSIS

The Township has had a long-standing Economic Development Commission that has advised the governing body on trends, issues and policies concerning the economic sustainability of the Township. However, with the drastic changes occurring in the regional economy, the Master Plan will need to address major changes in the pattern and nature of future economic opportunities. The Township will need to be proactive to create a sustainable economy to meet two broad challenges:

1. As the regional economy adjusts to the decline of overall business activity in Atlantic City, efforts by mainland municipalities will need to turn more to internal growth drivers. As a Pinelands Growth Community, Egg Harbor Township was assigned the role of residential and retail node for employees of the casino industry. With the contraction of that industry, Egg Harbor Township and neighboring municipalities will need to balance their economies with more business and commercial development to assure the health of their communities.
2. The overall scale, infrastructure and diversity of commercial development establishments in the Township are best suited to accommodate the demands of a bedroom community providing a workforce to Atlantic City. These will need to change to accommodate more robust non-retail commercial nodes within or contiguous to the Township.

While these challenges are now virtually assured by the State of the region's central city, what is not as well-known is the nature of the economy that will emerge as land values and labor

markets adjust to these trends. For better or worse, the current period gives the Township the opportunity to work on the basic attributes, the physical infrastructure and business attractiveness that will benefit its residents as economic re-adjustment unfolds.

Opportunities

The process of creating communities that are resilient and sustainable in a small county can be a contentious process as neighboring municipalities confront similar issues and search for similar strategies. An understanding of the comparative advantages of Egg Harbor Township and building on them is essential for future growth. In addition, the need to work with neighboring municipalities is also imperative as their nature and assets are very similar to those of Egg Harbor Township. This was assured by the Pinelands requirements placed on the townships in the mid-Atlantic County area.

Opportunities for economic stability and growth can be explored through three strategies, which are not independent of each other. Starting from the proposition that local economic development is created by first finding ways to have other people purchase goods and services from local merchants while retaining your own, these strategies can be summarized as follows:

- 1. Strategy 1:** Increase the advantage of being a regional retail shopping location. This is very dependent on the ability to get to commercial locations easily and by providing space for new entrants that is readily available and buildable. Improve conditions for “grey fields” of underutilized corridors and malls. These activities will in turn invigorate secondary services such as real estate, finance, legal and other ancillary services.
- 2. Strategy 2:** Make better use of the natural environment of the Township. Using the riverfront for passive as well as active recreation would provide a nearby alternative to the beach for the many seasonal visitors to the County. Marinas, restaurants, and small lodging alternatives would help integrate Egg Harbor Township into the seasonal tourism economy. Nature walks and eco-/agri-tourism experiences would diversify the Township’s more densely packed commercial areas, which are sited based on transportation routes.
- 3. Strategy 3:** Begin to enhance non-retail commercial areas through signage and public relations. Having an advantage in professional and technical jobs by housing facilities for the FAA Tech Center and many of its contractors should provide a platform to better understand their needs.

Understanding Opportunities for Strategic Development

The first fiscal obstacle to encouraging development is usually the prospect of expanding the demand for school seats. As the figure below shows, the current system has capacity due to declining enrollments. With these declines being most severe in the lower grades, there will be no near-term pressure on the system to expand. Growth can be accommodated without the need for capital expansion.

In reality, Egg Harbor Township will need to compete locally to achieve a stable economic base. Figure 30 defines a market area for the local economy in concentric circles of five- and ten-mile radii from the intersection of U.S. Route 40/322 and English Creek Road. The summary that follows the map reports the concentration of employment by industry within these circles (the complete report is found in the Appendix). The Township needs to be able to understand regional patterns in order to compete for sectors in which it is underrepresented.

Figure 32: School Enrollment in Egg Harbor Township, 2010 - 2015

BUILDING A STRONGER COMMUNITY: EHT			
SCHOOL ENROLLMENTS, 2010 - 2015			
CRBR, NOVEMBER 2016			
	2011-12	2015-2016	
Program	Total	Total	% Change
Preschool	129	115	
Kindergarten	426	373	
Grade 1	547	510	
Grade 2	528	483	
Grade 3	548	523	
Grade 4	572	526	
Grade 5	599	585	
Grade 6	595	557	
Grade 7	585	581	
Grade 8	586	632	
Grade 9	594	587	
Grade 10	620	586	
Grade 11	644	561	
Grade 12	638	569	
Ungraded	175	206	
Total	7785	7394	-5%
K-6	3815	3557	-7%

Using Figure 31, the market area supports 14,987 jobs in health services. While the Township has done very well in this area with the establishment of the AtlantiCare facility on English Creek Road, are there other opportunities in the new world of health-care insurance and records sharing? How would the Township encourage these sectors?

The future for the regional economy in the next few years will depend upon the willingness and the efforts of local and County entities. The lack of an economic monopoly in any area demands new ways to plan and create opportunities. The three strategies outlined above form the basis for

planning and action items for the Township to pursue in order to improve and strengthen the community it supports.

The initial strategies should concentrate on primary public activities that provide the conditions for private investments that will entice more residents of surrounding communities to patronize establishments in the Township and stabilize existing businesses. Subsequently, using its natural assets – including its access, location and natural setting – these public plans and activities will entice new businesses to locate in the Township.

Figure 33: Market Area for the Egg Harbor Township Economy

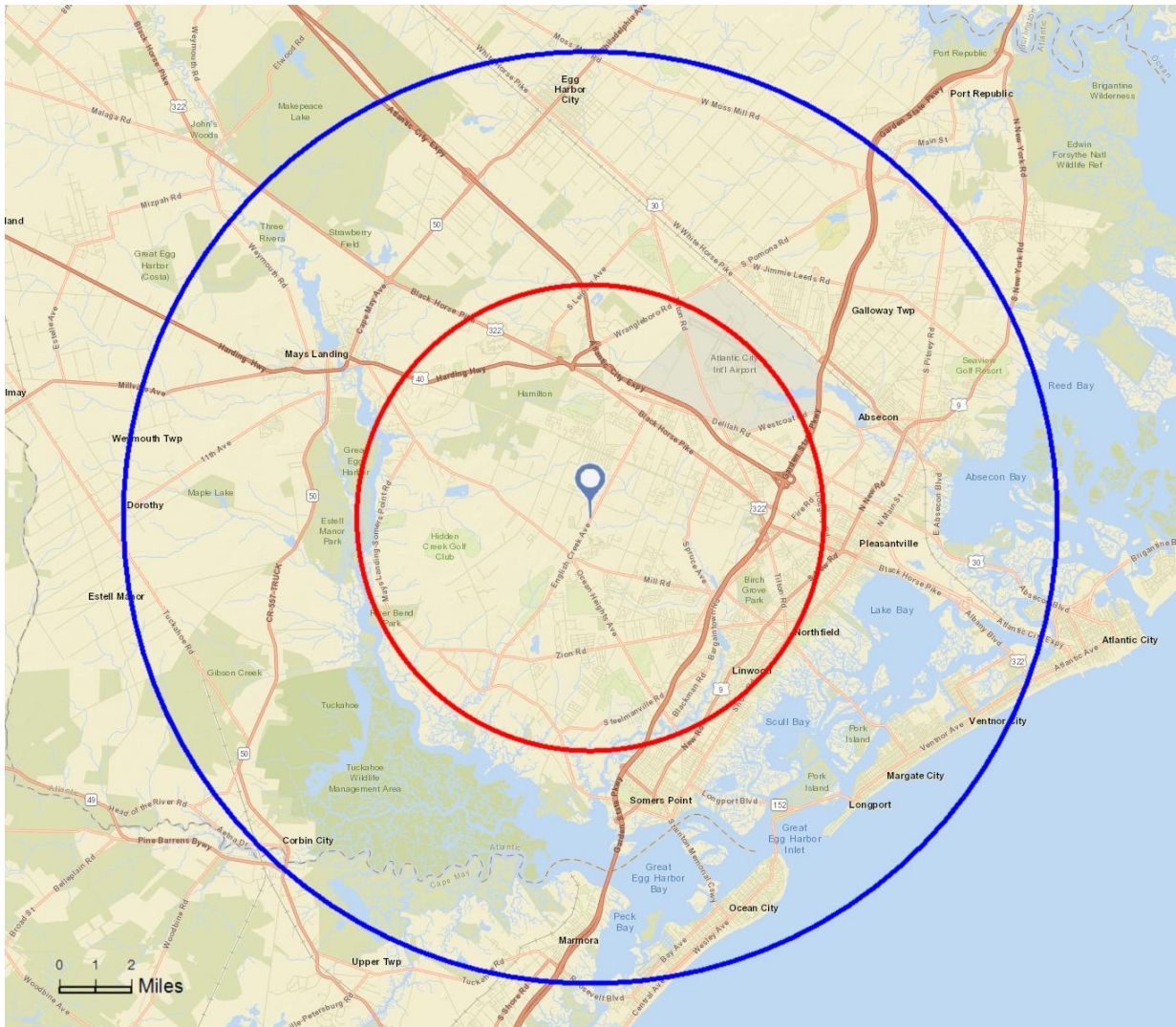


Figure 34: Business Summary for Egg Harbor Township



Business Summary

EHT-Center
 English Creek Rd. Route 40 Egg Harbor Township NJ 08234
 Rings: 5, 10 mile radii

Latitude: 39.4019
 Longitude: -74.6307

Data for all businesses in area	5 mile		10 mile					
Total Businesses:	3,039		9,064					
Total Employees:	44,644		111,406					
Total Residential Population:	69,676		200,220					
Employee/Residential Population Ratio:	0.64:1		0.56:1					
by SIC Codes	Businesses		Employees		Businesses		Employees	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Agriculture & Mining	63	2.1%	426	1.0%	211	2.3%	1,179	1.1%
Construction	257	8.5%	1,615	3.6%	866	9.6%	5,269	4.7%
Manufacturing	54	1.8%	857	1.9%	148	1.6%	2,214	2.0%
Transportation	73	2.4%	1,440	3.2%	250	2.8%	4,082	3.7%
Communication	47	1.5%	618	1.4%	89	1.0%	1,104	1.0%
Utility	10	0.3%	107	0.2%	23	0.3%	358	0.3%
Wholesale Trade	79	2.6%	630	1.4%	246	2.7%	1,844	1.7%
Retail Trade Summary	685	22.5%	11,004	24.6%	1,932	21.3%	23,662	21.2%
Home Improvement	34	1.1%	685	1.5%	118	1.3%	1,538	1.4%
General Merchandise Stores	27	0.9%	1,674	3.7%	57	0.6%	2,068	1.9%
Food Stores	61	2.0%	1,279	2.9%	225	2.5%	3,674	3.3%
Auto Dealers, Gas Stations, Auto Aftermarket	64	2.1%	1,182	2.6%	190	2.1%	2,295	2.1%
Apparel & Accessory Stores	99	3.3%	986	2.2%	181	2.0%	1,378	1.2%
Furniture & Home Furnishings	72	2.4%	725	1.6%	164	1.8%	1,202	1.1%
Eating & Drinking Places	159	5.2%	2,824	6.3%	561	6.2%	8,031	7.2%
Miscellaneous Retail	168	5.5%	1,650	3.7%	435	4.8%	3,475	3.1%
Finance, Insurance, Real Estate Summary	346	11.4%	2,182	4.9%	1,057	11.7%	5,794	5.2%
Banks, Savings & Lending Institutions	115	3.8%	476	1.1%	390	4.3%	1,134	1.0%
Securities Brokers	40	1.3%	312	0.7%	81	0.9%	502	0.5%
Insurance Carriers & Agents	66	2.2%	444	1.0%	141	1.6%	952	0.9%
Real Estate, Holding, Other Investment Offices	126	4.1%	950	2.1%	445	4.9%	3,206	2.9%
Services Summary	1,234	40.6%	19,205	43.0%	3,575	39.4%	54,419	48.8%
Hotels & Lodging	24	0.8%	359	0.8%	165	1.8%	2,219	2.0%
Automotive Services	79	2.6%	394	0.9%	230	2.5%	1,316	1.2%
Motion Pictures & Amusements	92	3.0%	979	2.2%	281	3.1%	8,458	7.6%
Health Services	234	7.7%	7,295	16.3%	604	6.7%	14,987	13.5%
Legal Services	87	2.9%	454	1.0%	179	2.0%	769	0.7%
Education Institutions & Libraries	61	2.0%	3,170	7.1%	189	2.1%	10,367	9.3%
Other Services	657	21.6%	6,554	14.7%	1,928	21.3%	16,301	14.6%
Government	97	3.2%	6,362	14.3%	404	4.5%	11,175	10.0%
Unclassified Establishments	94	3.1%	198	0.4%	264	2.9%	305	0.3%
Totals	3,039	100.0%	44,644	100.0%	9,064	100.0%	111,406	100.0%

Source: Copyright 2016 Infogroup, Inc. All rights reserved. Esri Total Residential Population forecasts for 2016.

Date Note: Data on the Business Summary report is calculated using Esri's Data allocation method which uses census block groups to allocate business summary data to custom areas.

November 04, 2016

H. ECONOMIC INITIATIVES

Expansion of Atlantic City International Airport

A division of the South Jersey Transportation Authority, the Atlantic City International Airport (ACY) is currently run by the Port Authority of New York and New Jersey. It conducts commercial and general aviation operations, offering air travel to support commerce, tourism and the general public.

ACY is a within a 60-minute drive of almost 2 million people serving an area that stretches from Cape May City to Toms River and from Camden to Atlantic City.

Figure 35: Passengers at Atlantic City International Airport, 2016, 2017

	Jan-Feb 2016	Jan-Feb 2017	Change
Scheduled Service Passengers	191,355	167,351	-12.5
Charter Passengers	9,458	14,018	48.2
Total Air Passengers	200,813	181,369	-9.7

Figure 36: Passengers at Atlantic City International Airport, 2015, 2016

	2015	2016	Change
Scheduled Service Passengers	1,089,277	1,124,147	3.2
Charter Passengers	111,016	83,126	-25.1
Total Air Passengers	1,200,293	1,207,273	0.6

The Atlantic City International Airport has 83 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 higher-paying employment opportunities is challenged by the need for infrastructure support, which can come through U.S. Economic Development Authority (USEDA) funding.

The Atlantic County Economic Alliance (ACEA) is pursuing an aviation maintenance institute on the airport property. ACEA is working with the airport, along with Vaughn College of Aeronautics and Technology and the Port Authority of New York and New Jersey, among others, to establish an 18-month certification program in aircraft maintenance. The goal is to train and certify people in the area, creating aircraft maintenance and repair jobs locally. Ideally, large airlines that do business in Philadelphia, Newark and New York City would bring planes to the Atlantic City International Airport for repairs and routine maintenance. The idea stems from the AngelouEconomics report, which points to the aviation industry as a major target that could help revitalize the area, which for decades relied heavily on tourism as its major source of revenue and employment.

Expansion of the FAA William J. Hughes Technical Center

The FAA William J. Hughes Technical Center (Technical Center) is the nation's leading



laboratory for research, development, test, evaluation and in-service management for air transportation systems. Its world-class laboratories and top-notch engineering place the Technical Center at the forefront of the FAA's challenge to modernize the U.S. air transportation system. The Technical Center serves as the FAA's national scientific test base for research and development, test and evaluation, and verification and validation in air traffic control, communications, navigation, airports,

aircraft safety, and security. The Technical Center is the primary facility supporting the nation's Next Generation Air Transportation System, called NextGen, as well as the integration on Unmanned Aircraft Systems (UAS) into national air space.

Located 10 miles northwest of Atlantic City, and covering over 5,000 acres, the Technical Center consists of state-of-the-art laboratories, test facilities, support facilities, the Atlantic City International Airport (ACY), and a non-commercial aircraft hangar. The Technical Center is also home to the Department of Homeland Security - Transportation Security Administration and Lab, the United States Coast Guard Group Air Station Atlantic City, the Atlantic City International Airport as well as the New Jersey Air National Guard 177th Fighter Wing. While the Technical Center serves to advance aviation, it is a key focal point for Homeland Security as well. With more than 50 years of achievement and excellence, the Technical Center continues to serve as the cornerstone for aviation innovation across the globe.

One of the many objectives of the FAA William J. Hughes Technical Center, NextGen air traffic control advancements may be removed from the Federal Aviation Administration. NextGen aims to modernize the nation's air traffic control system with satellites in place of an aging radar-based network. An independent, nonprofit corporation outside the federal government is being considered by the Trump administration to modernize and provide control services. Privatization talks come as the FAA authorization is set to expire in 2017; the authorization sets funding levels for the agency. In 2016, federal officials have had 60 stakeholder meetings and three hearings to discuss a new FAA authorization bill, which is expected to include some type of air traffic control reform. Airlines have been lobbying vigorously for the change, saying the FAA's NextGen program to modernize the air traffic system is taking too long and has produced too few benefits. Opponents oppose ceding Congress' oversight of the air traffic system to a private entity. Lobbying groups representing business aircraft operators, private pilots and small and medium-sized airports also oppose privatization. They fear airlines will dominate the

corporation’s board and that they will be asked to pay more to support the system while facing reduced services.

The FAA William J. Hughes Technical Center employs almost 5,000 people with 3,069 FAA/contract employees and 1,944 tenants. The average wage for FAA employees in 2014 was \$103,694. The average FAA employee makes significantly higher wages than the average household in Atlantic County and creates an economic benefit that stabilizes housing prices, reduces foreclosures and supports the tax base.

The FAA currently hires between 300 and 400 new employees annually. Most of these individuals are from outside the area and are first-time residents in Atlantic County. It is recommended that a survey be conducted to determine the needs and preferences for these new employees to determine what can be done by the Township to accommodate them.

The Technical Center has an overall economic impact on the area of \$700,000,000 annually, which has grown significantly in recent years. The total economic impact was \$300 million in 1996 and \$330 million in 1999.

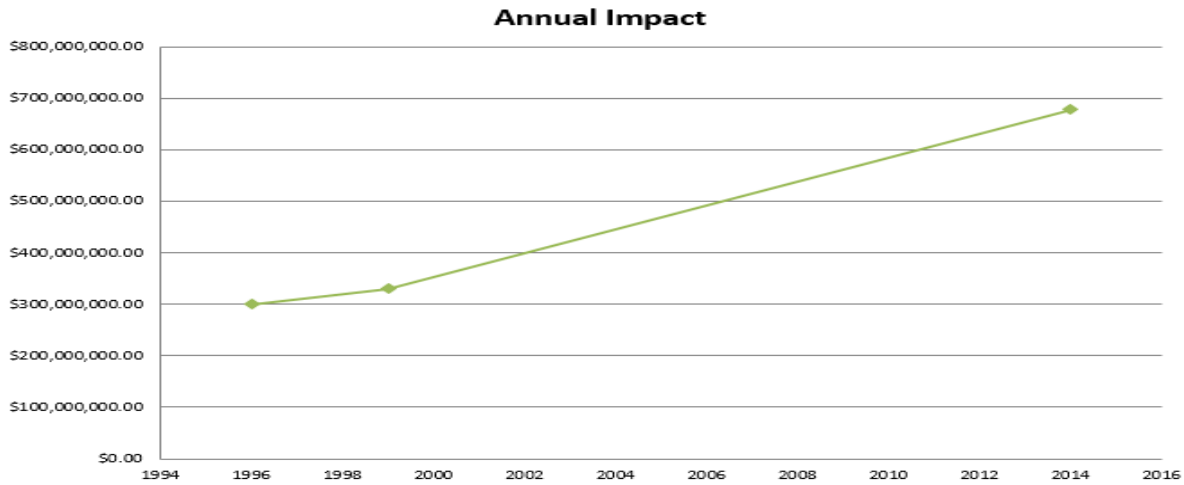
Figure 37: Economic Impact of FAA William J. Hughes Technical Center, 2014

FAA TECHNICAL CENTER - ECONOMIC IMPACT				
SOUTHERN NEW JERSEY - ECONOMIC IMPACTS, 2014				
CENTER FOR REGIONAL AND BUSINESS RESEARCH, AUGUST 2015				
<u>ImpactType</u>	<u>Employment</u>	<u>Wages</u>	<u>TotalValueAdded</u>	<u>Output</u>
Direct Effect	3,069	\$287,092,983	\$323,983,593	\$241,679,311
Indirect Effect	1,944	\$39,851,012	\$71,809,413	\$77,335,181
Induced Effect	2,748	\$122,405,173	\$219,124,402	\$359,193,025
Total Effect	7,761	\$449,349,169	\$614,917,409	\$678,207,517

The three types of effects measured are:

- a) Direct Effect – is the known or predicted change in the economy that is to be studied. Direct effects take place only in the industry immediately affected – in this case the tenants of the Technical Center.
- b) Indirect Effect – is the business-to-business transactions required to satisfy the direct effect.
- c) Induced Effect – is derived for the local spending on goods and services by people working to satisfy the direct and indirect effects.

Figure 38: Economic Impact of FAA William J. Hughes Technical Center, 1994 to 2014



Stockton Aviation Research and Technology Park

New infrastructure investments and development of the 58-acre Stockton Aviation Research and Technology Park is underway. A three-story, 66,000-square-foot building which includes high-speed connectivity to the Technical Center laboratories, classrooms and conference rooms and a rooftop lounge will be completed by the summer of 2018. An FAA laboratory and offices will occupy 7,000 square feet, with rental space for additional laboratories and offices. This building will be one of seven multi-story buildings with over 400,000 total square feet of research and development space planned for the Park. The campus-like setting is designed to promote collaboration among business, academia and all major research arms of the federal government. USEDA funding support may be needed for future construction in the Park.

Figure 39: Rendering of Building 1 of Stockton Aviation Research and Technology Park



Atlantic City Expressway/Atlantic City International Airport Direct Connector

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. By shortening the drive time to ACY by 10 minutes the population within 60 minutes of ACY to 3.3 million and the population within a 90-minute drive time would grow to 7.3 million.

Figure 40: Service Area Within 60 Minutes of Atlantic City International Airport

ACY – 60 Minute Drive Time

ACY 60 Minute Drive Time

- Population: 1,940,434
- Avg. Household Income: \$64,198

ACY 70 Minute Drive Time

- Population: 3,382,144
- Avg. Household Income: \$57,062

Shortening the drive time to ACY by 10 minutes increases the population living with 60 minutes of ACY by 1,441,710 or a 74% increase



Figure 41: Service Area Within 90 Minutes of Atlantic City International Airport

ACY – 90 Minute Drive Time

ACY 90 Minute Drive Time

- Population: 6,212,166
- Avg. Household Income: \$62,485

ACY 100 Minute Drive Time

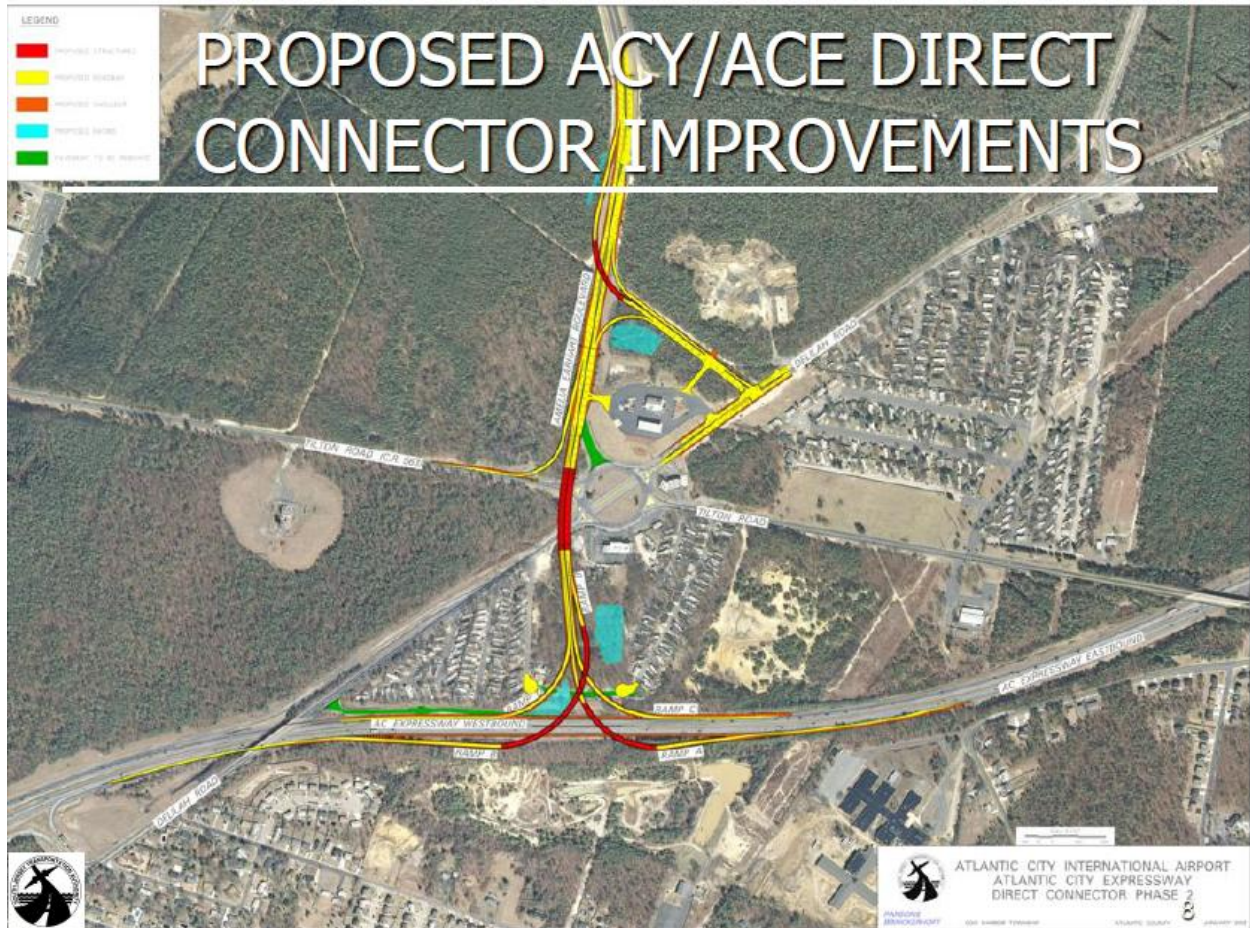
- Population: 7,344,144
- Avg. Household Income: \$66,168

Shortening the drive time to ACY by 10 minutes increases the population living with 90 minutes of ACY by 1,132,680 or an 18% increase



Previous plans and proposals have addressed this capital improvement, but the lack of available financial resources continually impedes the proposal’s progress. Total cost is expected to exceed \$60 million.

Figure 42: Proposed Atlantic City International Airport/Atlantic City Expressway Connector



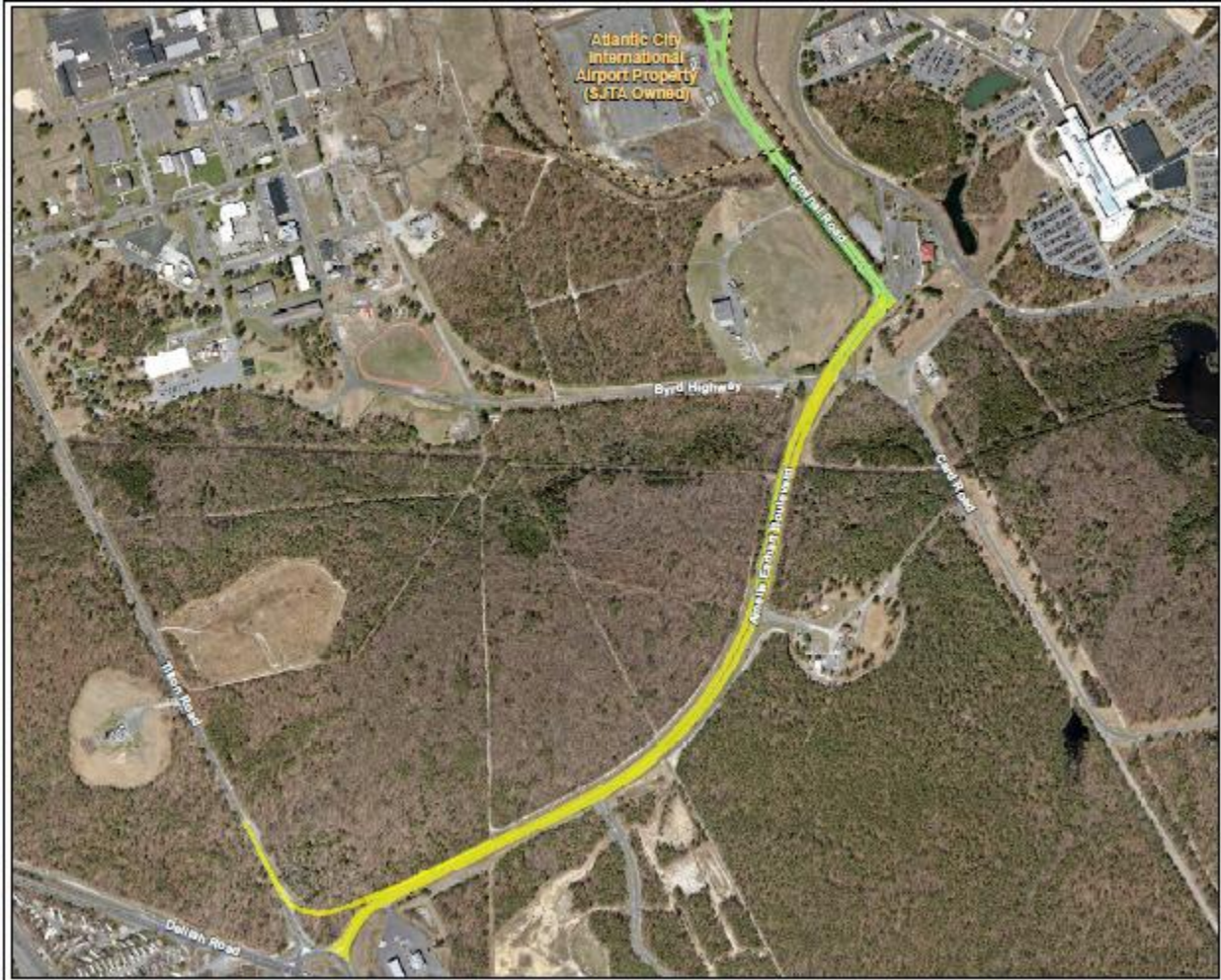
Garden State Parkway Interchange 7 Improvements

The project includes a flyover at the Garden State Parkway to reduce congestion for northbound Parkway traffic to connect to the westbound Expressway. Total cost is estimated at \$20 million.

Amelia Earhart Boulevard and Terminal Road Paving Project

The repaving of Amelia Earhart Boulevard includes the construction of a connector directly to westbound Tilton Road to reduce traffic at the Airport Circle Intersection. These improvements will be funded with Airport Improvement Funds and construction will be completed in 2018.

Figure 43: Proposed Improvement to Amelia Earhart Boulevard



Construct New Intersection at West Jersey Avenue and Black Horse Pike (US 40/322)

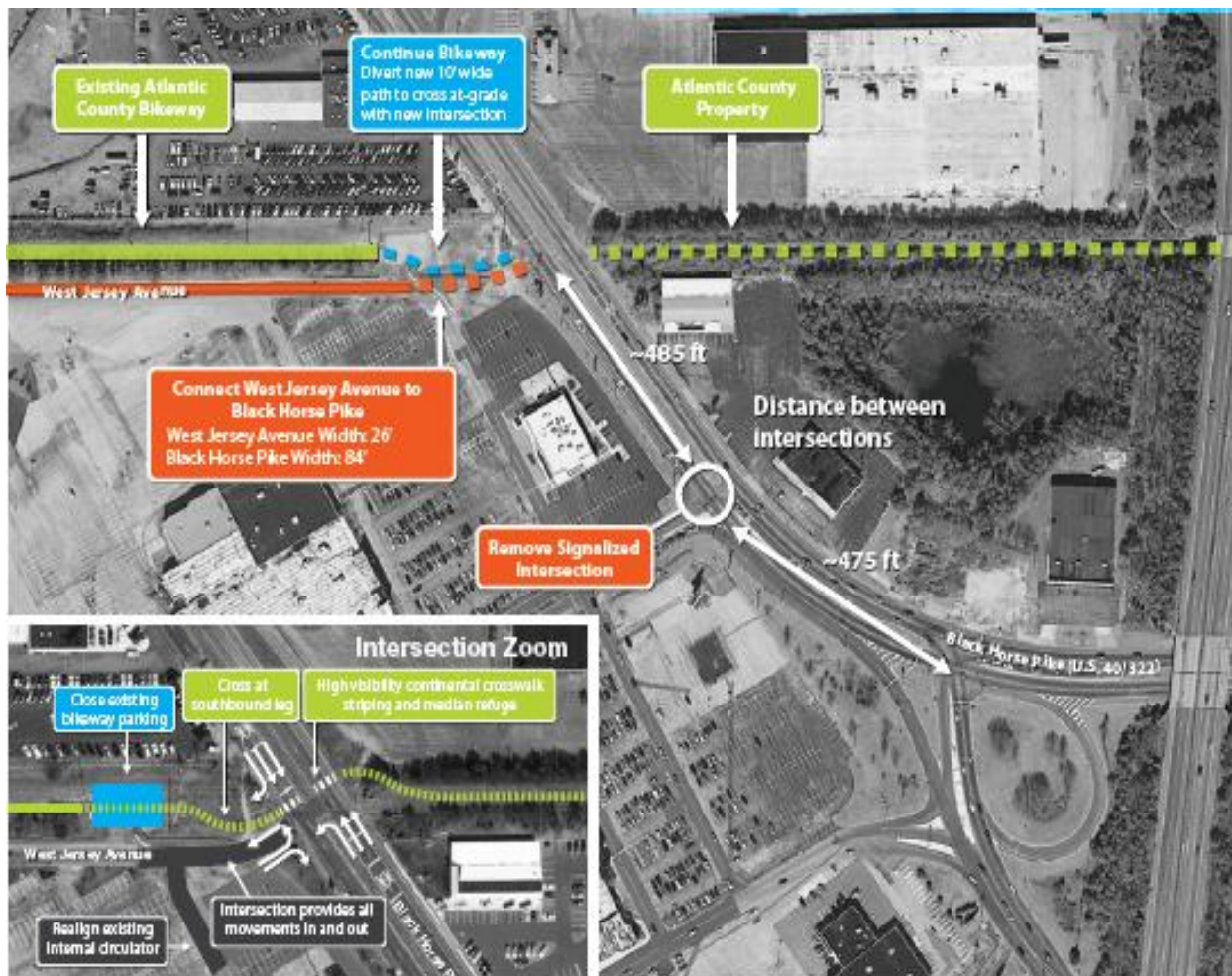
In 2016, NJDOT retained Parsons Brinkerhoff to review potential links between the Pleasantville to Somers Point Bike Path and the Atlantic County Bikeway, both of which are regionally significant off-road multi use paths. Currently, a gap of approximately 1.3 miles exists between the western terminus of the Pleasantville to Somers Point Bike Path (at Devins Lane in Pleasantville) and the eastern terminus of the Atlantic County Bikeway (at Black Horse Pike – U.S. 40/322 in Egg Harbor Township). This relatively small gap is a critical location that hampers the circulation of bicyclists in the region, and is an integral part of the Circuit, a regional project that aims to improve off-road opportunities for cyclists and pedestrians throughout the Delaware Valley and South Jersey.

This study focuses on a crossing of Black Horse Pike, which currently functions as a significant barrier to non-motorized traffic, given the associated vehicular traffic volumes and travel speeds. This study also reviews necessary improvements at other roadways which would be crossed by

the trail link, including the Garden State Parkway, Fire Road (CR 651), and Noahs Road/Dubois Road, as well as the former rail link proposed to complete the multi-use trail.

This at West Jersey Avenue and the Black Horse Pike (US 40/322) is one of the primary constraints to completing the missing link. Black Horse Pike carries a 45-mph speed limit in this segment, with 2 12-foot travel lanes and an 8-foot shoulder in each direction, and a 20-foot median (84-foot total crossing). According to 2010 and 2012 NJDOT traffic counts, this segment carries an estimated AADT of 35,600 vehicles. Given the current configuration, high speeds, volume, and crash history of the roadway, an at-grade, mid-block crossing would not be preferred. The preferred upgrade would be to realign West Jersey Avenue to intersect with Black Horse Pike at a traffic signal. This would require shifting the current signalized intersection at the Harbor Square driveway. This signal would provide a signalized at-grade crossing at Black Horse Pike. A second option would be to construct a tunnel underneath Black Horse Pike. A bridge structure is not a feasible option given the grade changes associated with the commercial properties adjacent to Black Horse Pike.

Figure 44: Proposed Improvements at the Black Horse Pike and West Jersey Avenue



The project team analyzed the feasibility of realigning West Jersey Avenue to intersect with Black Horse Pike and create a signalized intersection, allowing for an at-grade bikeway crossing. As part of the realignment, the existing signalized entrance to the Harbor Square Shopping Center, just south of the proposed signalized intersection with West Jersey Avenue, would be removed. This proposal is illustrated below. The feasibility of the realignment option was analyzed for an order-of-magnitude cost estimate, considering construction costs (including improvements to the existing grade), engineering services, and likely utility relocations.

The proposed signalized intersection at West Jersey Avenue would have two benefits. First, this stretch of Black Horse Pike has a high crash rate, particularly near the intersection with Tilton Road (CR563). The current shopping center entrance between West Jersey Avenue and Tilton Avenue does not allow for a left turn out of the Harbor Square Shopping Center onto Black Horse Pike. Removing this entrance and creating a full intersection at West Jersey Avenue would increase the distance between signals (from ~475 ft. to ~960 ft.) and would provide an alternative location to make a left turn onto Black Horse Pike, other than via the jug handle at Tilton Road. This would also lengthen the current weaving section between the Harbor Square Shopping Center Mall access point and channelized right turn to Tilton Road.

By creating a signalized intersection at West Jersey Avenue, the Atlantic County Bikeway could continue to an at-grade crossing with Black Horse Pike. A button-actuated walk-only phase would be installed to give Bikeway users a protected phase to cross Black Horse Pike. This would require a more detailed review of prevailing traffic conditions to determine signal phasing.

Based on known conditions at this location as well as relevant contingencies, this option is estimated to cost \$1.4 million.

The NJDOT Traffic Engineering team prefers this option due to the reduced cost compared to the tunnel option as well as the increased distance between intersections which would improve traffic conditions. Additionally, this option would create a safe crossing for pedestrians on Black Horse Pike.

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Transportation Resiliency Improvements

A portion of Egg Harbor Township is situated between the coastal barrier island and the mainland, and this section is vulnerable to high winds, nor'easters, hurricanes and other storms, coastal erosion and frequent flooding.

Egg Harbor Township contains several low-lying areas bordering Lakes Bay, Great Egg Harbor Bay, and tributaries and branches of the Egg Harbor River. Fluctuations in tidal levels through

surge events and rising sea levels are significant for the Township as transportation routes may be cut off and property damage may occur during many flooding scenarios. Scientists anticipate the arrival of one foot of sea level rise before 2050. As sea level rise is expected to accelerate this century, three feet of sea level rise is very likely before 2100.

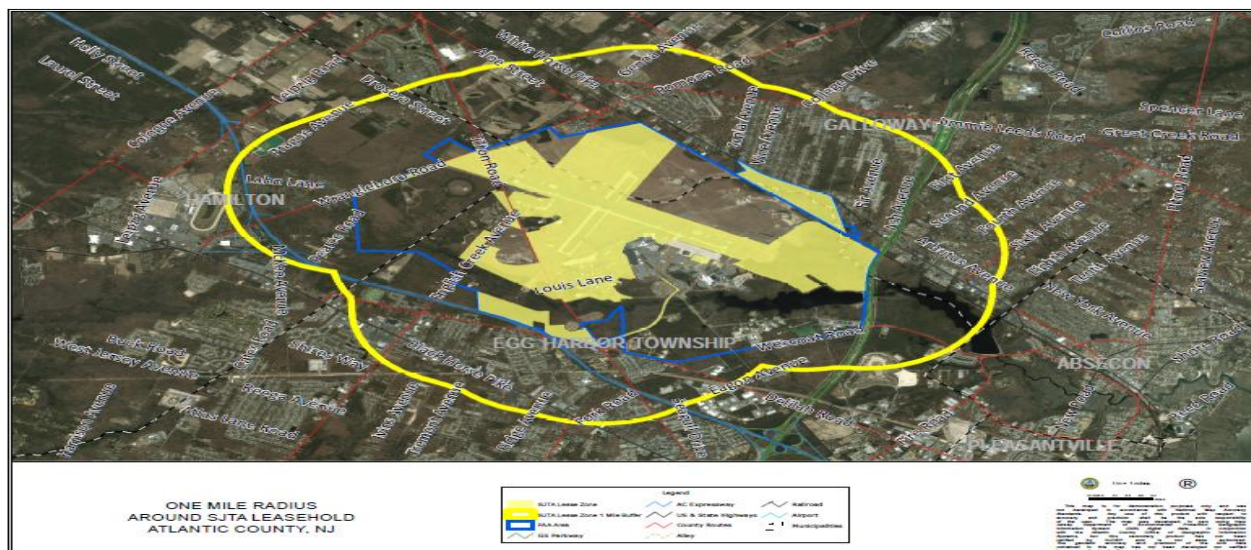
Modeling for one foot of sea level rise indicates many natural wetlands and shorelines will experience regular inundation as well as several streets in West Atlantic City, Somers Avenue near Mays Landing Road, Jeffers Landing leading out to Morris Beach, and the riverfront endings of Wharf Road, Jayne Drive, Betsy Scull Road, and Harbor Drive. Modeling for two feet of sea level rise indicates numerous flooded roadways and properties. Impacted roadways include Somers Avenue, Mays Landing-Somers Point Road, Jeffers Landing leading out to Morris Beach, Wharf Road, Jayne Drive, Betsy Scull Road, Harbor Drive, Steelmanville Road, Stern Drive, Point Drive, Obyrne Drive, Margate Boulevard, the Black Horse Pike and most roads in West Atlantic City. Of concern are Margate Boulevard and the Black Horse Pike, which are evacuation routes.

Evacuation routes including Margate Boulevard, U.S. Route 40/322 (Black Horse Pike), and Longport-Somers Point Boulevard will be impassable in a Category 1 storm. USEDAs, State and County assistance will be needed to fund resiliency improvements on these key routes to ensure access during storm events.

New Jersey GROWS Legislation

Legislation has been proposed to create a Garden State Growth Zone for all areas within the boundaries of the Atlantic City International Airport and the FAA William J. Hughes Technical Center and the area within a one-mile radius of the outermost boundary of that airport and Technical Center.

Figure 45: Proposed Garden State Growth Zone

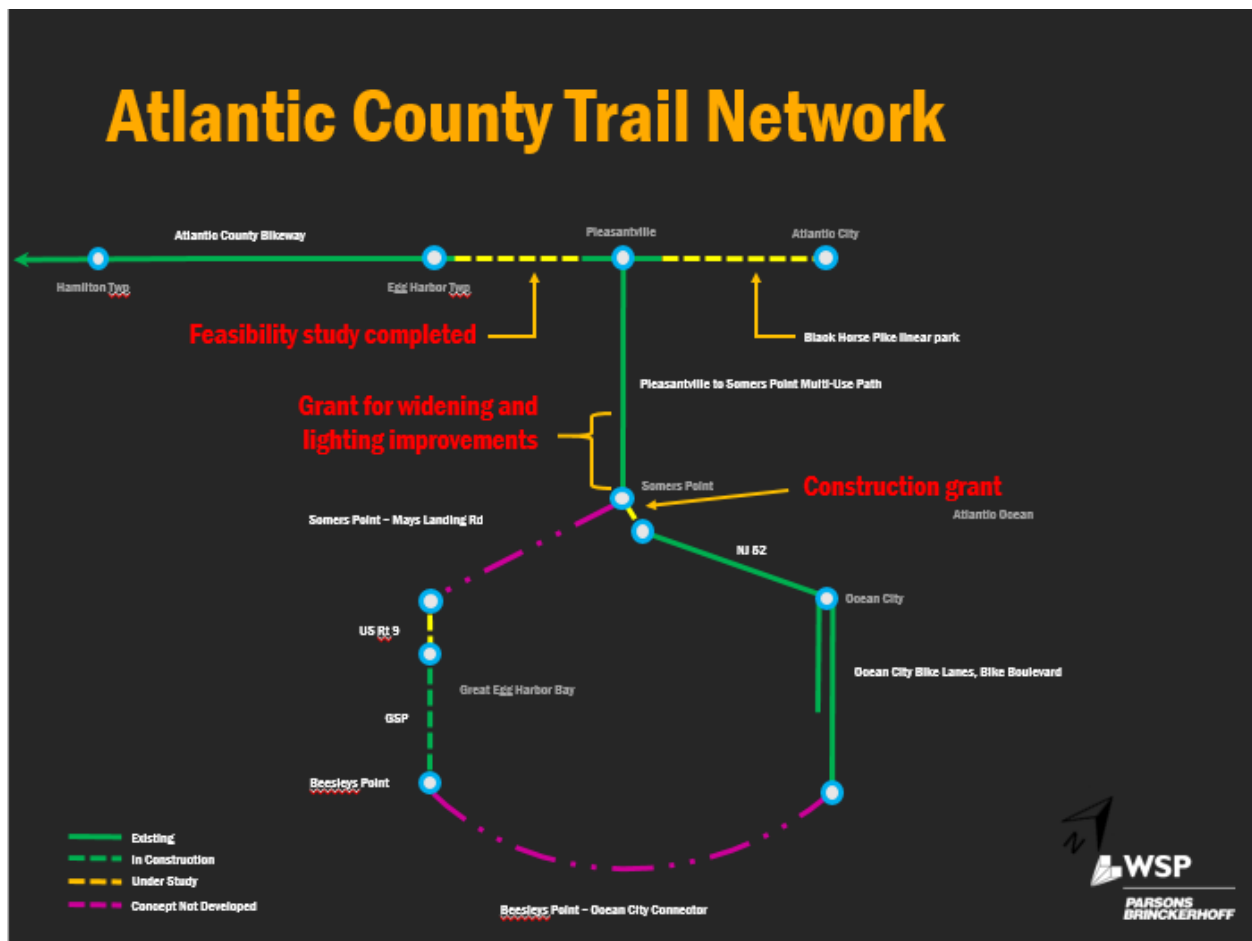


This bill also expands the type and amount of eligibility for certain incentives offered to qualified businesses located in the Garden State Growth Zone. Currently, the enhanced incentives are offered only to businesses located in the City of Camden.

Expand the Egg Harbor Township Trail System

A significant bikeway system is being constructed throughout Atlantic County. One of the most important elements of this system is the connection of the Atlantic County Bikeway in Egg Harbor Township with the Pleasantville-Somers Point Bike Path. Together this system will result in a 25-mile off-road bicycle trail in Atlantic County that connects to more extensive paths in Cape May County. The plan for this connection includes a full intersection at West Jersey Avenue and U.S. Route 40/322 that will provide greatly improved access to the Cardiff Power Center and Harbor Square Shopping Center.

Figure 46: Proposed Expansion of the Egg Harbor Township Trail System



New Jersey Angel Investor Tax Credit

This incentive encourages investments in emerging companies by granting a tax credit up to \$500,000 per year to the “angel investor”. The credit is limited to ten percent of the investment but in certain circumstances may be carried forward for use in future years. Emerging technologies include research, conducting pilot-scale manufacturing or pursuing the commercialization of technology or renewable energy technology.

I. REDEVELOPMENT OPPORTUNITIES

In 1992, the New Jersey Legislature adopted the Local Redevelopment and Housing Law. The law was enacted for providing municipalities with certain powers to attract private development of lands where it is apparent that the private sector would not otherwise do it without public support. So, for example, if there is a property that has remained vacant for a long time or if there are separate properties difficult for a private developer to assemble, local government can step in to take steps necessary to promote private investment.

The law provides for a two-step process. First, there must be a study to determine if the properties under consideration meet the standards under the law. After notice to the property owners affected and the general public, the local Planning Board conducts a hearing to decide if the area can be deemed in need of redevelopment under the law. If it does, the Township Committee may act at a public meeting to confirm that designation. The next step in the process involves actions by the Planning Board and then the Township Committee to determine a specific plan for redevelopment. Both actions are taken at public meetings and the Township Committee conducts a hearing allowing public input before adoption of a plan.

A redevelopment plan may give the municipality the right to establish specific land use controls for a property based upon a redevelopment plan so that a developer knows before proceeding that the proposed use is compatible with those controls. Doing so reduces the level of uncertainty for a developer, thereby further encouraging private investment.

If the redevelopment area includes public lands, the municipality can negotiate the terms of sale to a private developer rather than be left to accept the highest bid even though the price may be less than fair market value. As part of that negotiation, the municipality may agree to accept a payment in lieu of taxes from the developer, commonly referred to as a PILOT. The amount of the PILOT may be the same as what the taxes would otherwise be, but the law permits the municipality to retain 95 percent of the PILOT amount. Atlantic County’s share can be reduced to five percent.

These are just some of the potential advantages of pursuing the designation of an area as in need of redevelopment under the law. This plan recommends that three areas of the Township be designated as Redevelopment Areas and one Redevelopment Area be eliminated.

The three new Redevelopment Areas are:

1. Cardiff Area
2. Airport Area
3. West Atlantic City - south of U.S. Route 40/322

The one Redevelopment Area that would be eliminated is:

1. West Atlantic City – north of U.S. Route 40/322

J. ADDITIONAL RECOMMENDATIONS

1. Provide long-term tax abatements to encourage technology startups and tourist destinations (hotels, amusement parks, wineries, breweries, distilleries, etc.).
2. Consider live-work zoning in entrepreneurial zones.
3. Encourage the use of all economic incentives available to support non-residential developments that are consistent with the Township’s land use regulations, including:
 - New Market Tax Credits
 - Startup America Program Incentives
 - USEDA funding for special projects (life sciences, laboratory equipment for universities and incubators, entrepreneurial capacity studies)
4. The FAA William J. Hughes Technical Center currently hires 300 to 400 new employees annually. Most of these individuals are from outside the area and are first-time residents in Atlantic County. It is recommended that a survey be conducted to determine the needs and preferences for these new employees to determine what can be done by the Township to accommodate them.
5. The FAA William J. Hughes Technical Center currently offers Tech Center Tuesday annually in May. The event is part of the annual National Air Traffic Control Association Technical Symposium conference held in Atlantic City. In addition, an event held on Monday called “Aviation STEM Monday” is held. This event will bring in 160 local public school students for guided tours of the many Research and Development labs, as well as tours of the many tenant facilities. The Township, County and SSRDMO should promote this opportunity to learn about the many interesting activities happening at the Technical Center.
6. Work with the Technical Center, the South Jersey Transportation Authority and the Port Authority of New York & New Jersey to make the Atlantic City International Airport (ACY) a Smart Airport. While there are many airports that are doing an excellent job today, the fact is over 70 percent do not make profit and the ones that do could struggle tomorrow. In a world where people are used to being able to access all the information they need at the tip of

their fingers, airports fall short and can trip up by embracing technology at a slower rate than their passengers. While many airports now provide WiFi, this isn't always free, but it should be – it's what passengers are used to. If airports track passengers connected via WiFi (or via Bluetooth) they can address heavy passenger flow, determine popular shops or eateries and generally gain a better picture of the traveler's relationship with their airport. It also enables the airport to communicate with its passenger in two ways:

- First, the airport can make the passenger aware of events happening in the airport during their wait such as special offers.
- Secondly, airports can increase the likelihood a passenger will convert into a consumer by maximizing their “shopping window” by providing them with updated information on their flight status.

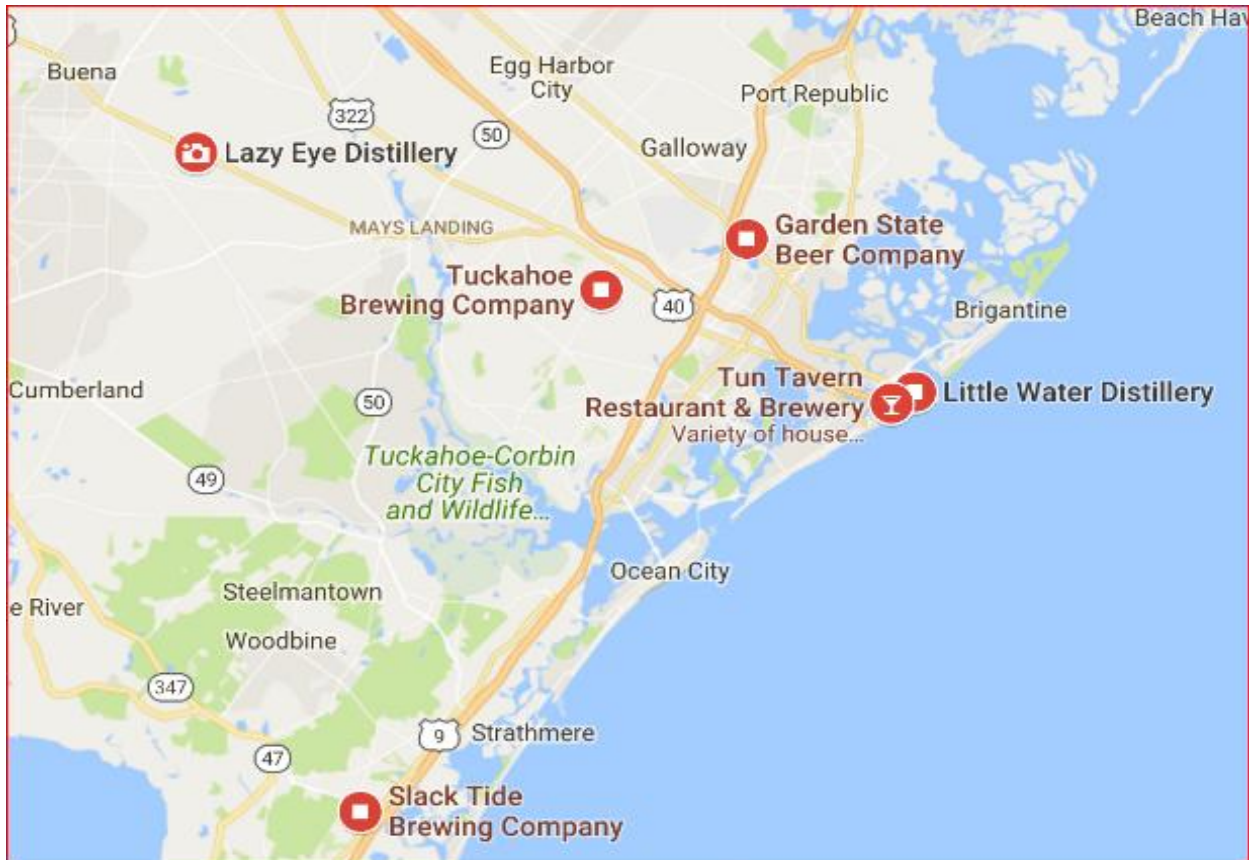
Most airports are good at communicating flight times via big screens, but many fail short at communicating the estimated time frame that every aspect of catching a flight will take, from checking in to the boarding the plane. This would differentiate ACY from the alternatives and create customer loyalty.

7. The FAA Technical Center would like to like to establish an aviation museum to tell the story of the past and future of the Technical Center. This would provide an additional tourism destination in Egg Harbor Township and help to solidify the relationship between the Technical Center and the community. The Township Economic Development Commission should work closely with the Technical Center to make this attraction a reality.
8. A third-party business case is currently being developed for the FAA Technical Center to determine the proper space requirements to support current and future aviation research labs as well as providing proper support to operational systems. One outcome of this business case may recommend a new building, but too soon to say with any certainty. While this expansion is only in the planning stages any growth on the FAA property will result in new high-paying jobs and should be supported by the Township.
9. The FAA is working with the SJTA and the County to construct a new road to connect Amelia Earhart Boulevard to westbound Tilton Road to avoid the Airport Circle Intersection. The road is restricted from utilizing Airport Improvement Program (AIP) funds and will be funded by FAA Technical Center funds and Atlantic County. SJTA's “Terminal Rd”, which runs from the stop light on Amelia Earhart Blvd to the Airport terminal, will be funded with AIP funds.
10. These improvements will be funded in part by Airport Improvement Funds and should be expedited and supported by the Township.
11. 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.

Total cost is expected to exceed \$60 million. The project should be supported by the Township and made a priority for Federal and State funding.

12. Legislation has been proposed to create a Garden State Growth Zone for all areas within the boundaries of the FAA William J. Hughes Technical Center and the area within a one-mile radius of the outermost boundary of that airport and Technical Center. This bill should be supported to encourage development in the area around the Technical Center.
13. Petition the State to make the construction of a full intersection at West Jersey Avenue and U.S. Route 40/322 a priority. This project will provide greatly improved access to the Cardiff Power Center and Harbor Square Shopping Center to stimulate economic development. It will also connect the Atlantic County Bikeway with the Pleasantville-Somers Point Bike Path to improve the quality of life in Egg Harbor Township.
14. Provide incentives to expand the budding brewery, distillery, and winery industry. Almost without notice the Atlantic Cape Region is on the verge of having created a brewery-distillery-winery industry cluster. Atlantic and Cape May counties are home to four microbreweries and two distilleries within ten miles of the Township. Egg Harbor Township is the already the home of the Tuckahoe Brewery.

Figure 47: Breweries & Distilleries in the Egg Harbor Township Area



Asheville, North Carolina's craft brewing industry began in 1994 with Oscar Wong, a visionary entrepreneur with a passion for good beer. From 2011-2016, the number of craft breweries and brewpubs had nearly doubled to 22. Asheville has 545 brewery employees.

The Craft Beverage Institute of the Southeast at Asheville-Buncombe Technical Community College offers the nation's first 2-year degree for Brewing, Distillation and Fermentation. It provides customized training courses in quality control testing, product development, production and sales and marketing, plus industry certifications.

15. Atlantic County generated 16.4 percent of the total tourism sales in New Jersey, and together with Cape May and Cumberland counties, the Southern Shore Regional Destination Marketing Organization region generated over 32 percent of New Jersey's tourism-related revenue in 2016, yet the Southern Shore Region only received 14 percent of the State grant funds for Destination Marketing Organizations in 2017. The Township should support the County's effort to have the State change the funding formula for Destination Marketing Grants and allocate increased funding to Super DMOs, like the SSRDMO.
16. It is recommended that streetscape design guidelines be established for the major business districts of Egg Harbor Township – particularly Tilton and Fire roads. Tilton Road is a major challenge. This County road was originally designed to convey traffic from the Black Horse Pike (U.S. Route 40/322) to the Margate Bridge. With the construction of the Garden State Parkway, the function of this roadway changed forever but many of the old design features remain. Pedestrians and bicyclists constantly walk along the side of the road to get to Harbor Square Shopping Center. Similar activity will occur once the Walmart Supercenter is completed on Fire Road. Sidewalks should be installed on both sides of Tilton and Fire roads and separated from the curb by a grass strip to enhance the pedestrian experience and provide a safer walkway. Crosswalks, pedestrian signage and push pads must be included at all signalized intersections. The Township should coordinate this effort with the City of Northfield.
17. The County plans to widen English Creek Avenue from U.S. Route 40/322 to West Jersey Avenue and potentially beyond. It is recommended that the Township support the widening and the establishment of streetscape design guidelines for this area. Sidewalks should be installed on both sides of English Creek Avenue and separated from the curb by a grass strip to enhance the pedestrian experience and provide a safer walkway. Crosswalk, pedestrian signage and push pads must be included at all signalized intersections.
18. Encourage current regional shopping centers to undertake improvements that will enhance pedestrian safety.

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Appendix

Appendix I: *ESRI Business Summary Report*

Economic Plan Element Adoption

This report shall serve as the 2017 Economic Plan Element. The absence of the adoption of a economic plan element by the Planning Board shall constitute a rebuttable presumption that the municipal development regulations are no longer reasonable.

This element was Adopted after a public hearing by Resolution #_____ by the Township of Egg Harbor Planning Board on _____, 2017.

The original of this document has been signed and sealed in accordance with N.J.A.C. 13:41-13.b.