



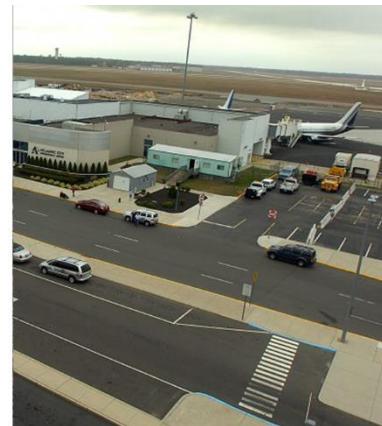
Atlantic County Economic Development Strategy and Action Plan

September 24, 2015

angeloueconomics

8121 Bee Cave Road, Suite 100
Austin, TX 78746

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Atlantic County Executive

Dennis Levinson
Jerry DelRosso, County Administrator
Howard Kyle, Chief of Staff

Atlantic County Board of Chosen Freeholders:

Frank D. Formica, Chairman

James A. Bertino, Vice Chairman

Colin G. Bell

John L. Carman

Ernest D. Coursey

Richard R. Dase

Alexander C. Marino

Will Pauls

John W. Risley

The Atlantic County Improvement Authority

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Robert J. Tarby, Sr., Vice Chairman

Mayor John Armstrong

Edwin G. Blake, Secretary

Robert P. Gross

Mayor Don Guardian

Reverend Milton Hendricks

Joseph Ingemi

Neil McPeak, Treasurer

Acknowledgements

AtlanticCounty**ActionNow**

economic development strategy and action plan

Atlantic County “Action Now” Steering Committee:

Leo Schoffer, Schoffer Enterprises – Committee Chairman

John Armstrong, Mayor of Absecon

Rich Baehrle, Berkshire Hathaway/Fox & Roach Realty

Frank Blee, AtlantiCare

Mike Bray, SPED / Passion Vines

Billy Chang, Atlantic China Tourism Investment

Clinton M. Cochran, Kravco

Rick Dovey, Atlantic County Utilities Authority

Frank Frankowski, South Jersey Transportation Authority

Janet Garraty, Go Jane News

Charles Garrett, South Jersey Transportation Authority

Mark Giannantonio, Resorts Casino

Linda Gilmore, Atlantic County Government

David Goddard, Ole Hansen & Sons

Mitchell Gurwicz, Max Gurwicz Enterprises

Joseph Ingemi, IBM

Joe Kelly, Greater Atlantic City Chamber

Howard J. Kyle, Atlantic County Chief-of-Staff

Phyllis Lacca, Masterpiece Advertising

John C. Lamey, Jr., Atlantic County Improvement Authority

Lance B. Landgraf, Jr., Casino Reinvestment Development Association

Ken LeFevre, Pathfinder Resources, LLC

Matthew Levinson, Casino Control Commission

Carlo Losco, Balsley Losco Realty

Rhonda Lowery, Work Force Investment Board

Alex Marino, Stockton University

Steve Mazur, South Jersey Transportation Authority

Dr. Peter Mora, Atlantic Cape Community College

Paul Perillo, FEMA

Will Pauls, So. Jersey Building & Construction Trades Council

Richard Perniciaro, Atlantic Cape Community College

John Peterson, Atlantic County Planning Department

Dr. Israel Posner, Lloyd D. Levenson Institute (Retired)

Jon Powell, CEO, Kravco

Jim Rutala, Rutala Associates

Sharon Schulman, Stockton University

Joseph Sheairs, Stockton Aviation Research Technology Park

Greg Sykora, SPED / Erco Blinds

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Executive Summary



Executive Summary

It would be difficult to overstate the precarious condition of the Atlantic County economy, and the acute need for community leaders to implement short- and long-term economic development strategies to reduce the region's overdependence on the tourism and gaming sector and diversify its economic base. **Much of Atlantic County's difficulty stems from two issues: the lack of any significant industry cluster activity other than tourism and gaming, and the lack of a regional economic development organization to brand and market the area and aggressively recruit new companies.** To address these and other issues, Atlantic County must adopt a regional approach to economic development.

In many ways, Atlantic County's difficulties are not unique. Regions across the U.S. have faced devastating economic blows with the closing of a military base, the relocation of a major factory or other game-changing events. Many of those communities have successfully forged ahead in new and more promising economic directions.

Communities that have overcome serious economic setbacks have succeeded by realizing that their challenges were too large and complex to be solved by any single governmental entity or organization. Rather than wait for rescue from the state or federal government, these

Executive Summary

communities identified their problems and developed and implemented their own plan for recovery marshalled by business and residential leaders. Atlantic County recognizes that it must do the same, and that is why this economic development strategic plan was initiated.

The challenges that confront Atlantic County are not all economic. There is a need to abandon old ways of community thinking. There is a need to move away from dubious practices of the past, such as banking a future on only one industry. The region must aggressively develop other suitable industry clusters. The extent of the dominance of gaming tourism in Atlantic County to the detriment of all other clusters is uncommon, and should be regarded as a serious long-term threat to future economic prosperity.

The antecedents of Atlantic County's current economic turmoil are rooted in the early success of legalized casino gambling. The easy prosperity that initially accompanied that industry discouraged business and community leaders from seeking greater economic diversification.

Casino gambling strongly impacted the composition of the workforce and the development of workforce skills in Atlantic County. For a good portion of the past 39 years, casinos have offered low-skilled workers jobs that paid good wages and benefits. This in turn attracted more such workers to the area. When the Atlantic City casino industry contracted, the region found itself with a disproportionate number of freshly unemployed low-skilled workers. Many technically oriented businesses are reluctant to locate in Atlantic County because they are uncertain the required workforce skill sets will be available. Skilled workers must be attracted to the area and the skill level of resident workers must be improved. Education and workforce development efforts are critical.

Atlantic County has also been encumbered by an antiquated tradition of "home rule" that encourages municipalities to focus their energies too parochially, thereby missing out on more substantive economic opportunities that can only be realized through regional cooperation. A shared vision of what Atlantic County can become must be created and the realm of economic development must be declared a "no politics zone."

AngelouEconomics recommends the creation of an adequately funded, private sector driven, regional economic development corporation to rebrand Atlantic County and to aggressively market and recruit new companies. Without such an economic development corporation, Atlantic County will not be able to compete effectively against more progressive regions. The lack of a vibrant and effective EDC may cause many industries to perceive the region to be unfocused and inexperienced at economic development, and businesses will seek more accommodating locations. In fact, without the efforts of a regional EDC, many domestic and international businesses will remain unaware of Atlantic County as a potential location site.

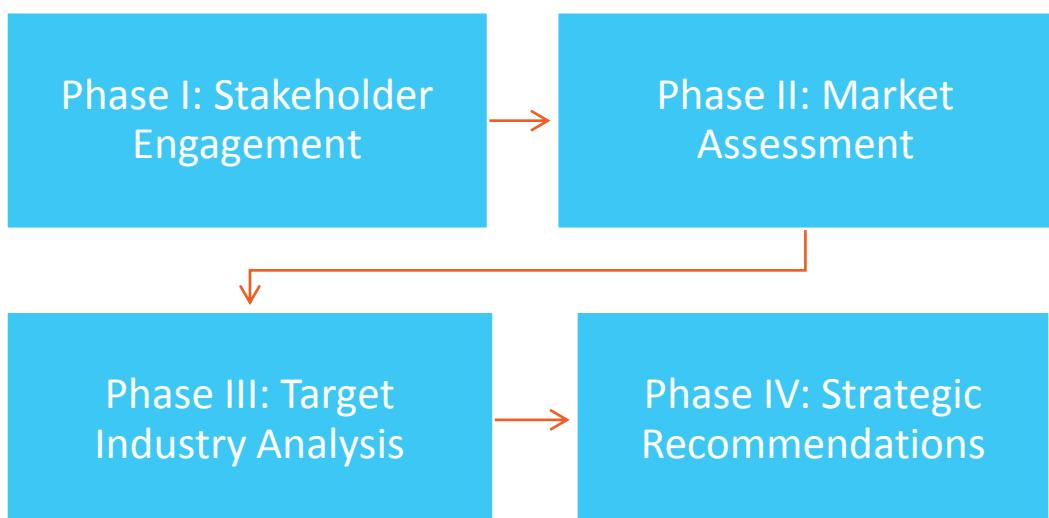
As a first step, AE recommends that a board of directors be created with the expertise to plan for the creation, staffing and funding of an Atlantic County Economic Development Corporation. The ACEDC will implement the new Atlantic County Economic Development Strategy and Action Plan and act to ensure continuing economic prosperity in the future.

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The new EDC will be responsible for implementing a marketing plan that includes strategies and actions for target industries. Experienced staff will organize committees and planning groups to address issues identified in the Atlantic County Economic Development Strategy and Action Plan. Appointed committees will also leverage talent within the county to review existing federal and state incentives to determine additional avenues of funding and support and to recommend state and local policy changes that can assist Atlantic County in achieving its economic development goals.

Despite its challenges, Atlantic County is poised with opportunities and significant economic development assets, such as the FAA William J. Hughes Technical Center, the Atlantic City International Airport, Richard Stockton University, Atlantic Cape Community College, beautiful beaches, agriculture, and first class hospitals and medical facilities. Business and community leadership must come together with passionate commitment and determination to build on these and other assets and to overcome the region's challenges. That cohesive commitment will be essential in dealing with Atlantic County's declining economic opportunities and dramatic social concerns. If the private sector understands the significant scope of the region's economic issues and steps up to the plate to take strategic and effective action, then a brighter and more prosperous future is obtainable. The choice belongs to local businesses and residents, and the future of Atlantic County is in their hands.

Atlantic County and ACIA initiated this strategic planning project to help diversify and advance the economy, increase the asset and revenue base of the county, improve employment rates and grow higher paying jobs. Development of strategy has been accomplished in four phases:



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Stakeholder Engagement:

The strategies in this plan were many months in development. The project began with stakeholder engagement, conducted through on-site interviews and focus groups, and through online surveys of local businesses and residents. More than 300 stakeholders provided important input through direct interviews, focus groups and community forums. More than 1,100 stakeholders additionally participated through online resident and business surveys. Information gathered during the stakeholder phase was combined with the analysis of statistical data from public and private sources, and run through evaluation models developed by Angelou Economics.

In total, 995 residents responded to the Atlantic County survey. Residents perceive the most serious challenges facing the region to be: high cost of living, general economic health, high taxes, casino closings, lack of available jobs and a lack of strong community leadership.

An additional 111 businesses responded to the Atlantic County survey. Business survey respondents ranked access to customers, operating costs, and quality of life as the most important factors influencing their business. The largest gap between importance and level of quality existed for tax climate, operating costs, and regulatory environment.

Market Assessment:

In order to gain a better understanding of the social, economic, and demographic issues relating to Atlantic County, a market assessment was completed in phase two of the project. To gauge Atlantic County's performance in a variety of metrics, Atlantic County was benchmarked against Dubuque County, Erie County, Roanoke City, and Washoe County. Data metrics for Atlantic County were also compared to New Jersey and the U.S. Benchmarks were selected by the Atlantic County Improvement Authority (ACIA) based on their similarity to Atlantic County in income levels, population, industry makeup, and higher education levels.

The market assessment evaluated Atlantic County's population and education demographics, workforce demographics, and economic highlights. A retail gap analysis was performed to analyze Atlantic City's and Atlantic County's retail mix. A total surplus of \$742 million is being spent within the county. People from

outside the region are coming to Atlantic County to shop in clothing stores, grocery stores and full service restaurants. Minor retail leakage occurs from residents shopping outside the area for electronic shopping and mail order houses, electronics and appliance stores and general merchandise stores.

Finally, the market assessment determined the region's leverageable assets and challenges to overcome.

Selected Benchmarks:



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The identified leverageable assets and challenges play a crucial role in the decision making processes in the next phases of the report. Leverageable assets provide Atlantic County with key advantages, if utilized properly, which can be vital in helping the region attract targeted industries. Challenges to overcome, on the other hand, act as barriers to the process and must be addressed through planning and modifications.

Leverageable Assets (Not ranked by order of importance)

- Airport and airspace opportunities
- Federal Aviation Administration (FAA) and UAV testing sites
- Other Federal programs and facilities
- Stockton University + Atlantic Cape Community College
- Stockton Aviation Research and Technology Park
- Proximity to major markets (30 million Consumers)
- ACDEVCO
- Environmental amenities
- Quaint communities with tourist appeal
- Development, redevelopment, and repurposing opportunities
- Affordable home prices
- Global connectivity
- Casino Reinvestment Development Authority

Challenges to Overcome (Not ranked by order of importance)

- Lack of economic diversity
- Lack of regional economic development coordination/cooperation
- State-centric economic development reliance
- Economic decline
- High taxes
- Other high costs of doing business
- High unemployment
- Low workforce skills
- Deteriorating Atlantic City infrastructure
- Areas of high crime
- Varied K-12 school performance
- State regulatory impediments, including CAFRA and Pinelands

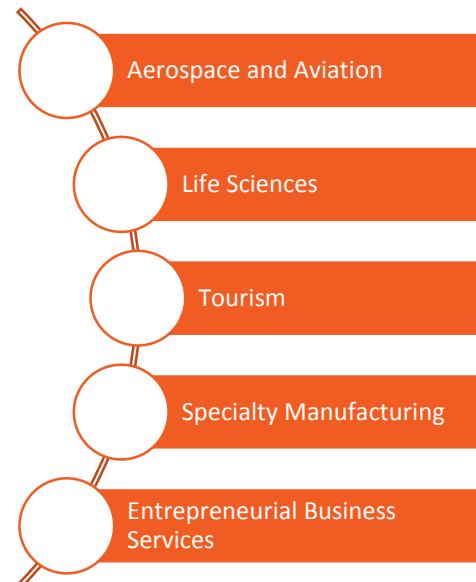
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Target Industries:

The Target Industry Analysis focused on key industries Atlantic County should work first to attract. The analysis included an evaluation of employment levels, establishments, wages, growth levels, and location quotients for all North American Industry Classification System (NAICS) codes in Atlantic County.

Virtually no clustering exists outside of the Travel and Food Services sector. Therefore, national growth trends, regional assets and the goals of the Atlantic County community weighed heavily in the selection of target industries.

Target industries are: Aerospace and Aviation, Life Sciences, Tourism, Specialty Manufacturing, and Entrepreneurial Business Services as industries to target.



In order to more narrowly focus target industry marketing, AE identified **target industry niches** for each of the chosen industries. These niches were also chosen for their fit to the community and for their economic potential to create bridges across industries and opportunities for diversification. To foster a deeper understanding of the target industries and define the economic development activities necessary, these niches were grouped into three categories; mature target niches, diversification target niches, or emerging target niches.

Economic development efforts for mature niches, such as aeronautics testing grounds and call centers, should focus on retention and expansion activities. Diversification niches, such as aircraft maintenance operations and festivals, should have economic development efforts focused on attraction and entrepreneurship activities. And finally, emerging niches such as climate change research centers need economic development efforts focused on expansion, attraction, and entrepreneurship activities. Vast potential exists for added development of specialty manufacturing, especially in niches tied to aeronautics, tourism and life sciences industries.

An **Occupational Analysis** was performed to gain an understanding of what occupations are required by these target industries to support their business activities. The analysis also identifies higher-paying career paths within each industry. Any gaps in local workforce skill can then be identified. Often the occupational analysis helps to identify the specific needs for workforce education strategies.

Emerging Life Sciences Eco Niche: Studies conducted by Princeton University and the U.S. Environmental Protection Agency, have identified the Mid-Atlantic region and Coastal New Jersey in particular to be a critical area of impact for coming sea level rise. Global architecture firm Perkins+Will has issued a detailed proposal and is spearheading an effort to establish Atlantic City as an international research hub for climate change and coastal resiliency, repurposing vacant casinos as housing for scientists and lab centers for universities. Burgeoning political support and Princeton interest are giving the idea viability.

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Cost of Operations Analysis

To better understand where economic development incentives need to be applied or boosted, AE performed an analysis of the cost of doing business for three specific niche businesses within the target industries. The cost analysis was performed for each benchmark city and presented as a cost index across primary functional areas of business. The benefit of such analysis helps to pinpoint what economic incentives will have the greatest positive impact on attracting a specific industry by shoring up areas that are not cost competitive. The analysis also helps determine how Atlantic County should approach marketing based on cost advantages.

A **cost of operations analysis was conducted for the Aerospace and Avionics Aircraft Maintenance** niche. Atlantic County, in particular, the Atlantic City Airport shows significant promise as a location for such a maintenance and repair operation. There is land space available, although taxiway infrastructure would have to be constructed. Atlantic County shows competitive cost factors for employee payroll, building costs/lease payments and property tax. Atlantic County's estimated annual cost of operations was mid-range at \$32.9 million, compared to a high in Queens County of \$42.3 million and a low in Philadelphia County at \$29.7 million. The adjacent location of the Federal Aviation Administration research center could also be a competitive factor.

A **cost of operations was conducted for the Entrepreneurial Business Services Call Center** niche, showing Atlantic County to be at a competitive disadvantage to its benchmark locations. Atlantic County had the highest cost of operations at \$6.6 million/year, compared to lowest benchmark Dubuque County with a an annual estimated cost of \$5.5 million. Local payroll costs were the highest factor comparatively. Experience has shown that the region can overcome the cost disadvantage through incentive offerings. In the summer of 2015, ACIA was able to attract the NETCAST BPO call center by offering \$32 million in tax credits and workforce training subsidies.

Cost of operations analysis for the Specialty Manufacturing industry Food Processing niche showed that Atlantic County lacks competitive advantage in attracting those plants. Atlantic County had the highest annual estimated cost of operations at 3.8 million, compared to lowest cost benchmark Houston County with \$2.4 million. Once again, payroll and utilities costs drove local operating expenses higher.



Executive Summary

Strategic Action Plan:

In this final project phase, AngelouEconomics provides the Atlantic County Improvement Authority a strategic action plan of recommendations for the ACEDC to implement to help attract target industries, utilize their assets to the best of their abilities, and improve upon their weaknesses. The recommendations are developed with insights gathered from the first three phases of the project. **Public policy** initiatives are suggested to supplement or improve existing incentive packages.

Recommendations are organized into four overarching goals, and then further detailed through suggested strategies and actions.



1) Empower Regional Economic Development Activity

Economic development in New Jersey has mostly been performed at the state level. The resulting lack of local direction has kept Atlantic County from receiving the attention it needs to remain successful. Business and community leaders must issue forth a vigorous economic development effort if they are to stem the county's declining tax base and bolster the economy. The first step in this direction is the creation of a **board of directors to establish a regional economic development corporation**. AE has provided strategies, as well as best practices, for establishing governance and anti-poaching agreements, determining organizational structure and staffing needs, and establishing an appropriate budget for the corporation.

2) Drive Industry Diversification

On top of marketing the region, the Atlantic County Economic Development Corporation's priority lies in creating industry diversification. The current lackluster economic climate in the region has largely resulted from little variation in the industries that support the economy. **The ACEDC must attract new industries, help retain and expand current industries, and foster innovation.**

The ACEDC should **set up target industry task forces** that help recruit industries to the region. Task forces should include key stakeholders within that industry or industry supply chain.

Furthermore, the economic development corporation should be up to date on current trends and changing events within those industries. ACEDC staff and task force leaders should **join industry and economic development organizations** and **attend industry-related conferences**.

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In order for the ACEDC to **foster a robust retention and expansion program**, the corporation must first understand the needs of local businesses. This understanding can be gained through surveys and visits to area businesses. The ACEDC should also sponsor local small business events and present awards to outstanding businesses within Atlantic County - the success of local businesses is the success of the region as a whole.

Finally, the economic development corporation should work to **foster a strong entrepreneurial ecosystem**. Stockton University, Atlantic Cape Community College and local Chambers of Commerce are well-positioned to aid the ACEDC in increasing entrepreneurial activity. In order to spark innovation and creativity, the economic development corporation should investigate **establishing an incubator, accelerator, and coworking space**. To encourage greater levels of innovation and entrepreneurship, ACEDC should also help create an affordable makers space to provide access to workshop areas and cutting edge manufacturing tools, including 3D printers and laser cutters. By creating opportunities to share the cost of such equipment and space, the barrier to entry is greatly reduced for entrepreneurs working to produce prototypes.

The ACEDC should also work with private partnerships and **utilize state and federal funding to help provide capital for local start-ups**.

3) Improve the Economic Development Product:

The perception of Atlantic County will play a large role in its ability to attract businesses and residents. Advancing the economic development product is therefore a key component of the action plan. Four strategies have been developed to accomplish this upgrade:

- **Improve Workforce**
- **Bring Infrastructure up to Standard**
- **Consolidate Municipal Services**
- **Integrate Municipal Master Plans**
- **Develop a Customer Service Culture**

Mass layoffs following the 2014 collapse of four casinos has left thousands unemployed. Atlantic County has had trouble attracting companies to the region due to a lack of skilled workers. The ACEDC will need to form strong lines of communication between businesses and skills training institutions to better educate the existing workforce to fit the needs of the local business community as well as targeted industries. Online education should be a component of this effort.

A number of difficult infrastructure issues exist within Atlantic County. Many municipal roads need to be repaved and some town centers need a face lift to be more appealing to visitors. This is especially true in Atlantic City. The ACEDC should look into state incentives for downtown main street redevelopment. Live work spaces, mixed-use zoning, and public Wi-Fi are important tools in bringing more life into town centers. Finally, options should be explored to expand Internet connectivity to fiber optics in the near future.

Executive Summary

One of the most important actions the ACEDC and business and community leaders can take to change the future of Atlantic County for the better is to **revise the master plans of municipalities to include an identification and evaluation procedure for prime county properties and restrict the development or redevelopment of those properties to best use purposes** in accordance with the overarching regional Atlantic County Economic Development Strategy and Action Plan. Integral properties should be developed with a specific long-term plan in mind to optimize strategic economic development. As the area sees growth in innovation and becomes home to new industries, it is important that a regional plan for districts and employment centers guides the collaborative efforts of all cities. Five prime properties within the county have been identified for suggested best use practices and incorporated into the regional strategic plan.

Atlantic County Strategic Real Estate Locations						
Property	Location	Size	Owner	Project Use	Estimated Cost	Possible Funding
Bader Field	Atlantic City	142 Acres	Atlantic City	Phase 1: Sports Complex, Phase II: World Trade Center	\$100 Million +	Sales tax sharing, EB5 Visa, Diverted CRDA Funds
Stockton Aviation Research and Tech Park	FAA William J. Hughes Technical Center Campus	55 Acres	Stockton University	Spec Building to Include Incubator	\$15 Million	Public/Private Partnership
Atlantic City International Airport	Egg Harbor Township	Portion of 84 Acres	FAA/SJTA	Aircraft Maintenance, Repair and Overhaul Facility	\$5 Million Building \$8-9 Million Taxiways	Possible sales tax rebate, TIFF, EB5 Visa, Public/Private, Diverted CRDA
Hamilton Racetrack	Hamilton Township	250 Acres	Parks Casino	Enclosed Theme Park	Covered by Owner	
Route 40 Combined Purpose Projects	Buena Vista Township	7 Acres 4 Sisters 192 Acres Richland Village	4 Sisters - Plant Buena Vista Township Historic	Specialty Mfg. and Destination Development	\$1.6 Million for Combined Projects	EDA Grants, Tourism Grants, Historic Society, CRDA, Tax Abatement

Atlantic County's longstanding efforts to encourage municipalities to regionalize services such as animal control, police and fire training and central dispatch services are laudable and should continue. **An aggressive plan should be formalized and implemented to help cities merge services in order to reduce the tax burden on existing county residents.** Particular attention should be given to determining options for reducing the number of public school districts.

The business community and the economy of Atlantic County are heavily dependent on the services sector. An established destination location, tourists, casino gamers and summer home owners come to the area expecting a **high level of service** delivered by employees who are excited to be a part of the picture. Over the years, the area has lost its direction in developing quality service ethics. Atlantic City is developing an entrenched reputation for poor service and poor delivery attitude. **The ACEDC should immediately implement a service quality council focused on improving the region's customer service culture** in order to improve the image of the region and protect its claim to tourism and other service-expectant sectors.

Executive Summary

4) Rethink Destination Attraction

Tourism has always been a pivotal industry for Atlantic County. The recent decline in casino gaming in the area is not a reason to give up on tourism, but rather a reason to **redefine tourism**. The success of Las Vegas has not been due to casinos alone, but rather to the mix of attractions the city offers. Three strategies can help redefine destination factor in Atlantic County:

- **Correlate Countywide Attractions**
- **Extend Tourism Peaks**
- **Expand Sports and Ecotourism**

The ACEDC needs to take stock of its offerings and work to better promote them through the Internet and marketing collateral. Conventions, especially relating to gaming and UAVs, are a good way to bring in business-related visitors who will spend money within the local economy. The tourism season needs to be expanded beyond the summer months. This can potentially be accomplished through **shallow port cruises, weekday tour packages, and sports leagues and tournaments**. The **Pinelands, Wetlands, fisheries and vineyards** are important resources to not be overlooked. Atlantic County has immense potential in terms of eco-tourism, particularly valuable within the dense northeastern U.S. geographic area.

A Call to Action:

Without change, Atlantic County faces an uncertain future. Thousands of people in the region remain unemployed and without adequate work skills. Home values have dropped, and a declining tax base has stretched county resources thin. Now is the time for public and private economic leadership and decisive action.

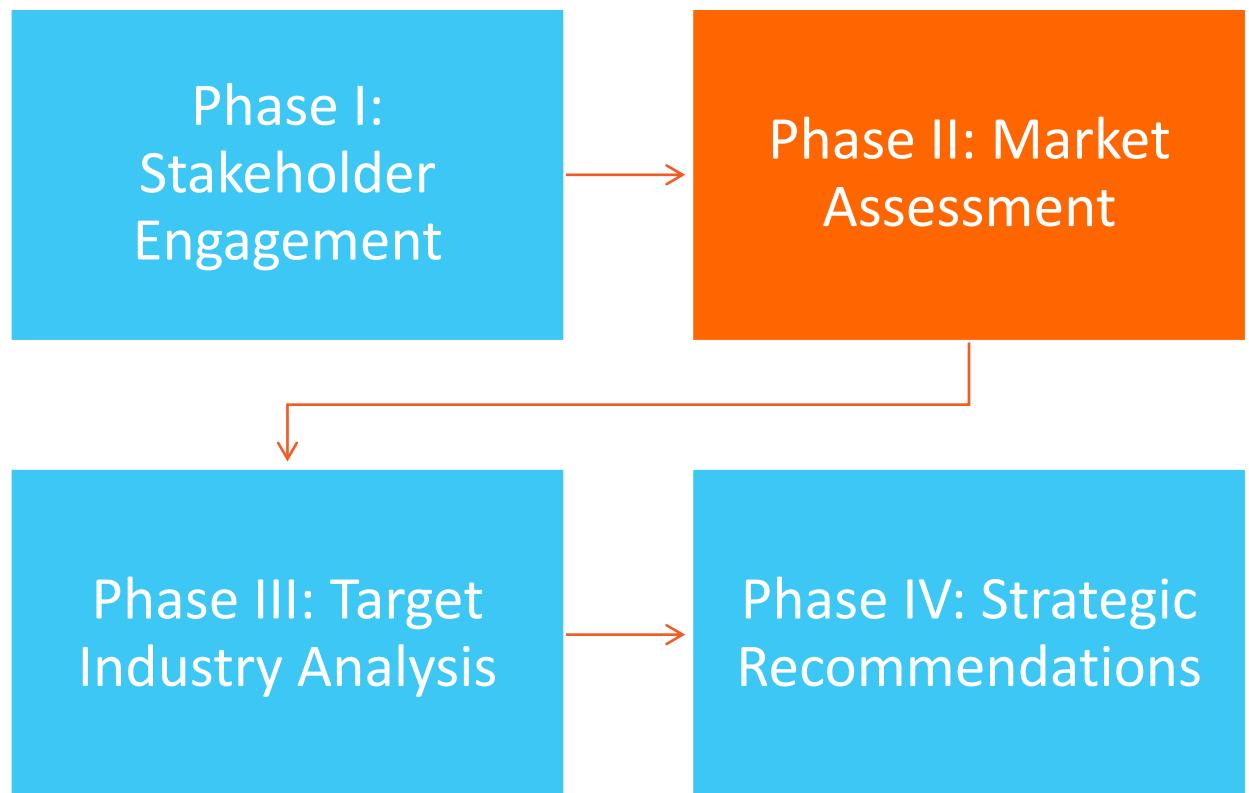
This will not be an easy task. To accomplish it, regional business and community leaders must work together to create and fund a public/private economic development corporation staffed by experienced professionals that can immediately begin to market the cohesive region. That EDC must have strong support and partnership from its stakeholders. Only by tearing down long-existent silos of communication can businesses and residents hope to reverse Atlantic County's economic decline.

The issues faced by Atlantic County have been a long time in the making, and solving those issues will not occur overnight. Implementing the strategic plan with three, five and 10 year objectives and continuing to revise and hone the plan to address changing circumstances will allow Atlantic County to take charge of its destiny and ensure quality of life and prosperity in times to come.

Economic Development is not a sprint; it is a marathon. It is time for local stakeholders to step up to the mark and enter the long race.

Atlantic County can become a thriving international market location through the implementation of a strong strategic action plan that reflects and achieves the common goals of its regional stakeholders. AngelouEconomics has been proud to partner with Atlantic County and the Atlantic County Improvement Authority to create the **Atlantic County Economic Development Strategy and Action Plan**. The plan will serve as a road map for the region, providing direction to reverse economic decline and bringing stakeholders together to leverage regional assets and promote the region globally.

Market Assessment



The Market Assessment provides the base set of information upon which the selection of target industries and the development of economic development strategy rely. A better understanding of the factors that drive the economy, the assets that can be leveraged for attraction and the issues that must be addressed fuel better strategic decisions.

Market Assessment

Comparing Demographics:

Four regions were selected by Atlantic County with which to benchmark general market demographics for the Atlantic County region. Those benchmark regions were:

- Dubuque County, IA
- Erie County, PA
- Roanoke City, VA
- Washoe County, NV.

Atlantic County, with a population of 276,000 compared most closely in size to Erie County, with a population of 280,000.

Population:

Atlantic County experienced a slow population growth from 2008 – 2013 (2%) compared with the U.S. (4%). Of the benchmark regions, only Erie County experienced lower population growth during the time period with flat growth at 0%. Both Roanoke City and Washoe County grew at a moderate 6%.

Atlantic County has an older population with the highest median age of any benchmark at 40.3 years compared to the U.S. median of 37.5.

	Atlantic County	Dubuque County	Erie County	Roanoke City	Washoe County	New Jersey	U.S.
Total Population	275,862	95,697	280,294	98,465	433,731	8,899,339	316,128,839
Median Age	40.3	39	38.7	37.5	37.2	39.4	37.5
%Pop. in the 25-44 Range	24%	23%	24%	28%	27%	26%	26%
Population Growth ('08 - '13)	2%	3%	0%	6%	6%	2%	4%
%Foreign Born	16%	2%	4%	7%	15%	22%	13%
%High School Graduate or Higher	85%	92%	90%	82%	87%	89%	87%
%Bachelor's Degree or Higher	24%	27%	27%	23%	28%	37%	30%
%Families with Children Under Poverty Line	25%	15%	25%	36%	18%	14%	19%

Sources: American Factfinder

Market Assessment

Foreign Born Residents

Atlantic County compared well in its percentage of foreign born residents (16%) to the other casino-impacted benchmark, Washoe County (15%). While this was somewhat higher than the U.S. (13%), it was significantly higher than most of the benchmarks chosen for comparison. Other than Washoe County, benchmark foreign born populations ranged from 2% to 7%. New Jersey itself has a strong foreign born population, estimated at 15%.

Poverty

The area faces crippling levels of unemployment and poverty. The regional poverty rate is estimated at more than 25% versus the U.S. at 19%. Benchmarks Erie County (25%) and Washoe County (37%) also reflected high poverty rates. The poverty rate has been growing in Atlantic County, from 14% in 2007 to 25.2% in 2013.

Although from 2000 to 2008 the Atlantic County unemployment rate tracked closely with New Jersey and the U.S., this gap began to increase in 2009. That year Atlantic County hit an annual double digit unemployment rate of 11.9%, while New Jersey and the U.S. peaked at 9.1% and 9.3% respectively. The state and the nation hit their long-term peak for unemployment in 2010. Atlantic County's unemployment rate on the other hand continued rising until it reached its peak in 2012. At this point it began to level off at a point between 10% and 11%. Both New Jersey and the U.S. have since returned to values in the 5-6%.

Since its peak in unemployment, Atlantic County has experienced a labor force contraction. From 2013 to 2015, Atlantic County's labor force shrunk by 1-3%, resulting in the loss of 1,000 to 4,000 employees a year. Although general statistics indicate that Atlantic County saw small positive population growth until 2014, that growth is deceptive. Since 2001, the region has experienced international immigration levels of roughly 1,000 to 1,500 people a year. These levels of immigration were able to balance out the high levels of domestic migration out of Atlantic County that began in 2008. In 2011, net domestic migration out of Atlantic County began hitting levels of 1,500 to 3,000, thus outpacing immigration levels.

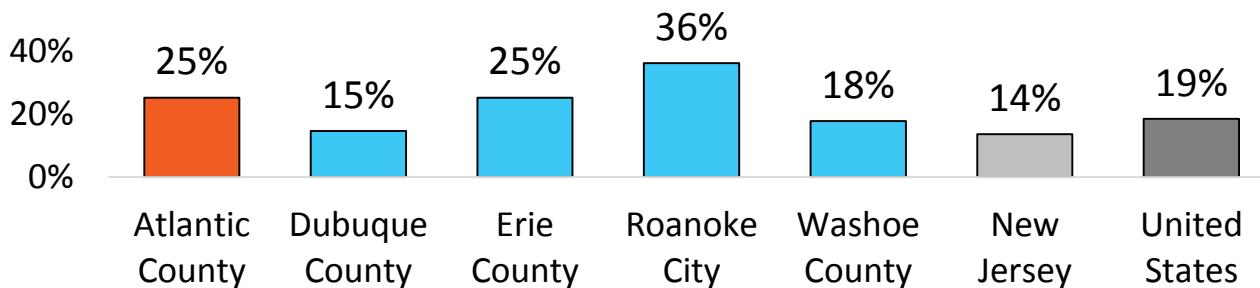
In 2000, Atlantic County had a poverty rate of 10.5%. Following the peak level of unemployment in Atlantic County in 2012, the poverty rate reached a level of 18% in 2013. Although the rate tracked closely to the U.S., often being a percentage point lower, the 2013 figure was 2% greater than that of the U.S. Part of this increase in poverty can be attributed to the immigration shifts in the area. According to the 2013 American Community Survey, native residents in Atlantic County have a median household income of \$56,000. Their foreign born counterparts on the other hand have a median income \$10,000 less. The shift of native born residents leaving the county, coupled with high unemployment rates, declining home values, and higher taxes, depletes the region of its middle class and increases its poverty levels.

Market Assessment

Dealing with the challenges of enduring and concentrated poverty, especially in the communities of Atlantic City and Pleasantville, will be a continuing struggle. The recent downturn in Atlantic County's economy has made matters somewhat worse. According to the Atlantic County Department of Family and Community Development an estimated 48,148 individuals receive Supplemental Nutrition Benefit Program benefits, more commonly known as "food stamps." In 2003 there were an estimated 14,000 individuals receiving these benefits. In many cases, the individuals receiving these benefits are employed but don't earn enough to adequately support their families. However, the problem of entrenched poverty are much more intractable and less responsive to improving economic conditions. The 2015 Kids Count Report for Atlantic County done by the Advocates for the Children of New Jersey, ranked Atlantic County 20th out of 21 counties in measures of child wellbeing.

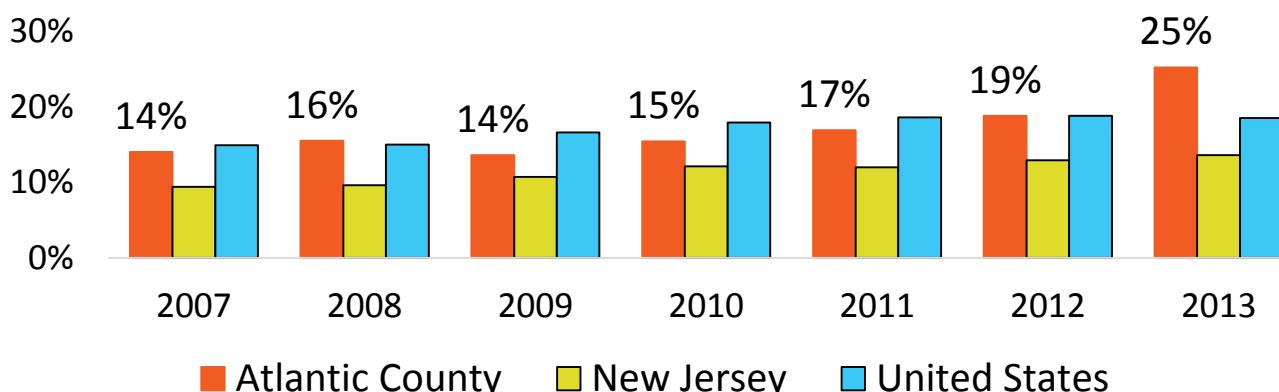
A joint Project of the Community Affairs Offices of the Federal Reserve System and the Metropolitan Policy Program at the Brookings Institution looked at the problem of entrenched poverty in Atlantic City in 2008. The project noted that despite the multitude of entry level jobs, many city residents lacked the critical skills necessary for employment.

Percent of all families with related children under 18 years below poverty (2013)



Sources: American Factfinder

Percent of Atlantic County Families with related children Below the Poverty Line



Sources: American Factfinder

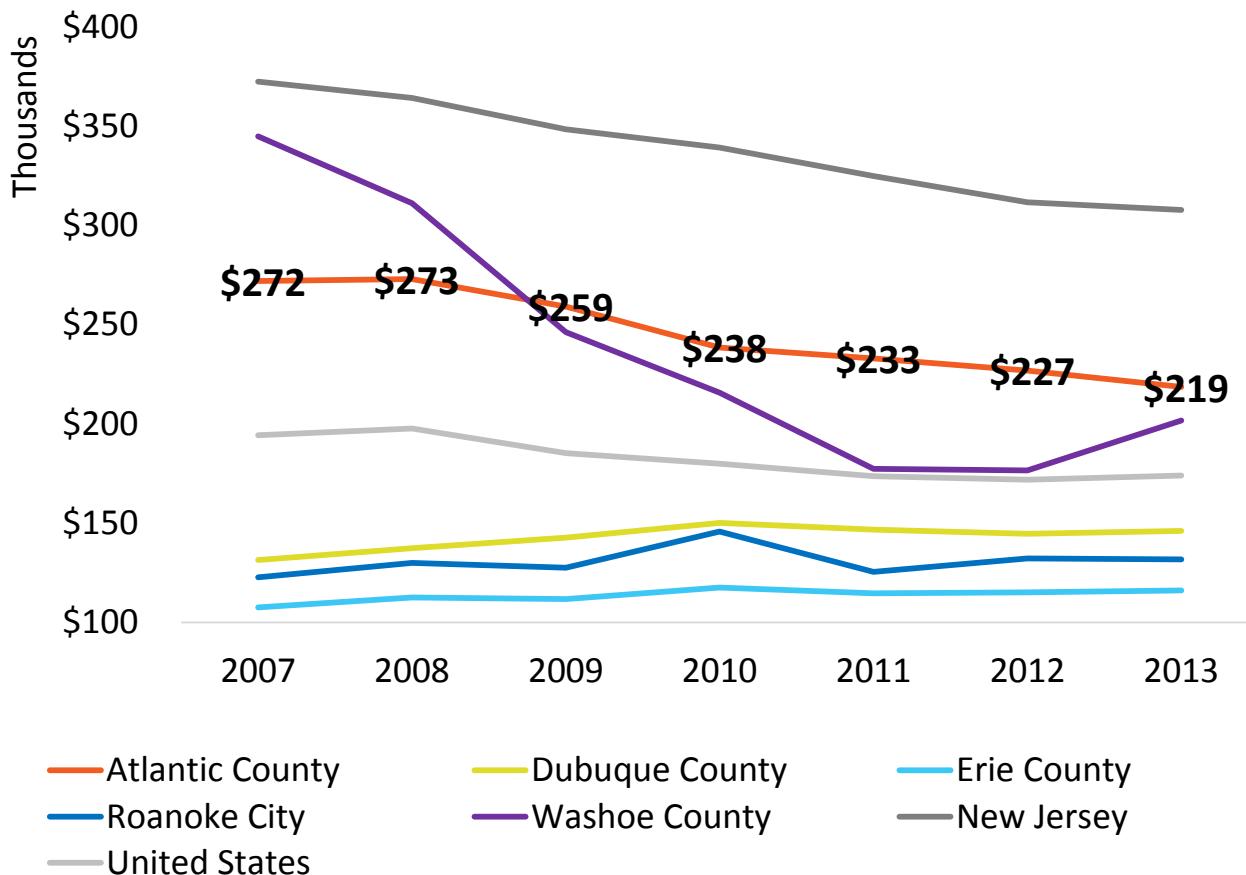
Market Assessment

Infrastructure:

Despite economic hardships, home ownership in Atlantic County is at 53%, relatively comparable to the U.S. at 57%. Median home values (\$219,000) remain higher than average for the U.S. (\$174,000) and benchmark regions, but are lower than the average for New Jersey (\$308,000). Median rents paid are also high. While regional home values are high, they are falling significantly – roughly 20% from \$272,900 in 2007 to \$218,600 in 2013. During the same period of time, U.S. home value decreased by less than 11%. The only benchmark to suffer a harsher decline in housing value was Washoe County at nearly 42%.

The good news is that the percentage of vacant houses appears to be initiating a decline. The vacancy level increased from 18.3% in 2007 to 21.4% in 2012. The percentage of vacancies began to decline in 2013 for the first time in seven years, down to 20.1%.

Median Home Value for Owner Occupied Households (dollars)



Sources: American Factfinder

Market Assessment



	Atlantic County	Dubuque County	Erie County	Roanoke City	Washoe County	New Jersey	U.S.
Owner-occupied	53%	65%	63%	48%	50%	57%	56%
Renter-occupied	27%	27%	30%	42%	39%	32%	32%
Vacant housing units	20%	8%	7%	9%	11%	11%	12%
Median Home Value	\$218,600	\$146,100	\$116,100	\$131,800	\$201,700	\$307,700	\$173,900
Median Gross Rent	\$1,023	\$681	\$697	\$714	\$871	\$1,171	\$905
%Households Paying 35%+ of Income in Rent	49%	40%	45%	38%	42%	45%	43%
%Housing Structures Built Prior to 2000	88%	86%	93%	93%	74%	89%	84%
%Same Residency as 2012	89%	84%	84%	80%	77%	90%	85%

Sources: American Factfinder

Market Assessment

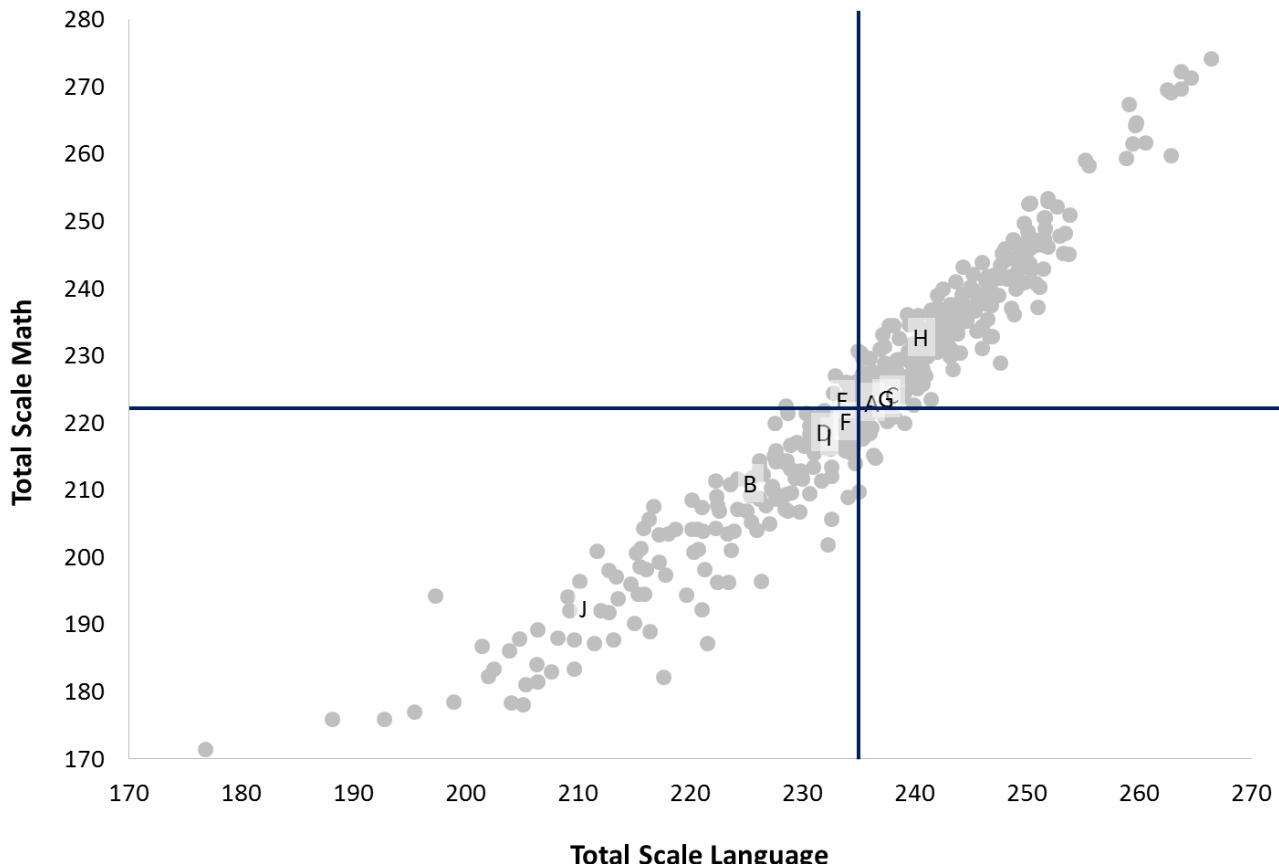
Education:

When it comes to the State of New Jersey Department of Education High School Proficiency Assessment Spring 2014, Atlantic County schools cluster around the state average for the exam on both math and language. Being middle of the pack is not terrible, but it is by no means an attraction asset. Parents look at school districts that perform in the higher echelons when they relocate for jobs.

Since parents pay attention to the quality of education, site selectors must as well. When selecting a location, site selectors must be sure that the area either has the necessary workforce or can attract the necessary work force. Education therefore plays both a role in attracting new businesses and a new workforce. If Atlantic County is to attract more families with higher paying jobs, school performance must improve.

Improvements to education not only pay dividends in the short run by attracting new businesses and workforce, they also pave the way for Atlantic County's future. Although higher skill level jobs are not currently prevalent within the region, the goal of this report is to pave the way for such jobs in the future. Schools in Atlantic County must work to prepare students for the jobs that will be there tomorrow and not for the ones that are there today. To do so, schools must work to stay on the cusp of cutting edge teaching techniques and opportunities.

Atlantic County HS vs NJ HS



Sources: State of New Jersey Department of Education High School Proficiency Assessment Spring 2014

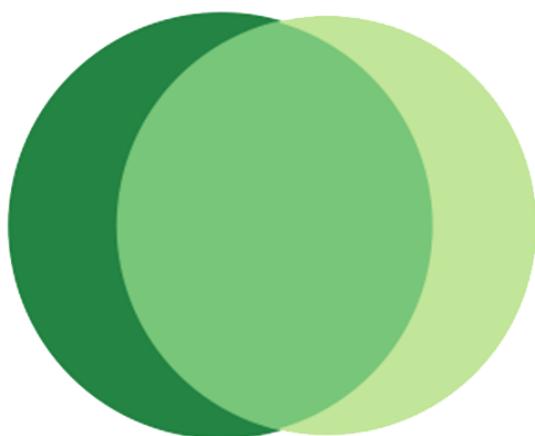
Market Assessment

Workforce:

There are an estimated 127,000 people in the Atlantic County workforce, which declined 6% from 2004 to 2014. The unemployment rate is very high at roughly 11%. Unemployment numbers in Atlantic County exploded during the recession, rising from 6.5% in March 2008 to 12.9% in March 2009. Current unemployment (April 2015) is estimated at 10.6%.

Most people in the region live (66%) and work (68%) in Atlantic County. Median income for Atlantic County (\$52,127) was higher than all benchmarks except Washoe County (\$53,588), but much lower than the median for New Jersey (\$70,165). Median income in Atlantic County decreased 1% in 2014. The number of businesses operating in the region grew by 2% from 2003-2013, compared to U.S. growth of 12%.

Inflow/Outflow Job Count (2011)



- 39 k Atlantic County workers live outside the county
- 77 k Atlantic County residents work within the county
- 35 k Atlantic County residents work outside the county

Where Atlantic County Workers Live	Share	Where Atlantic County Residents Work	Share
Atlantic County, NJ	66.2%	Atlantic County, NJ	68.4%
Cape May County, NJ	5.1%	Camden County, NJ	3.6%
Ocean County, NJ	4.9%	Cumberland County, NJ	3.3%
Camden County, NJ	4.5%	Cape May County, NJ	3.2%
Cumberland County, NJ	3.6%	Burlington County, NJ	2.9%
Gloucester County, NJ	3.1%	Mercer County, NJ	2.2%
Burlington County, NJ	2.6%	Gloucester County, NJ	1.9%
Middlesex County, NJ	1.0%	Ocean County, NJ	1.8%
Monmouth County, NJ	0.9%	Middlesex County, NJ	1.6%
Salem County, NJ	0.7%	Philadelphia County, PA	1.2%

Sources: US Census On the Map

Market Assessment

Retail Gap Analysis:

A retail leakage assessment explores the relationship between the retail sales of Atlantic County establishments (local supply) and the retail purchases of Atlantic County residents (local demand). To conduct this analysis, the supply and demand of over 30 retail sectors were reviewed. When retail sales exceed resident purchases, it is considered a "retail surplus." When resident purchases exceed the sales of local retail establishments it is called "retail leakage." A retail surplus is considered a positive asset; people are coming from outside the region to market and make purchases. A retail leakage presents an opportunity to expand retail offerings in an attempt to capture consumer purchases currently lost to the Atlantic County market.

The Leakage / Surplus analysis provides a snapshot of current supply versus current demand. A factor greater than one indicates a surplus, while a factor of less than one indicates a leakage.

To conduct this analysis, the supply and demand of more than 30 Atlantic County retail sectors have been reviewed. Atlantic County has a surplus in many of its retail sectors, and an overall surplus factor of 1.26. A total surplus of \$742 million is being spent within the county. The greatest retail surplus in the county occurs in: clothing stores, grocery stores and full service restaurants.

Heading the list in terms of Atlantic County leakage were: electronic shopping and mail order houses, electronics and appliance stores and general merchandise stores.

Taking a look at Atlantic City as a microcosm, AE found a total retail surplus of \$295 million and a retail surplus factor of 2.14. The greatest retail surpluses in the city occur in clothing stores, full service restaurants and shoe stores. Atlantic City opportunities lost in sales leakages included automobile dealerships, electronic shopping and mail order houses, and department stores.

Survey Analysis:

As part of the stakeholder engagement process, ACIA and AE launched online surveys through the project website for Atlantic County businesses and residents to glean their observations regarding current economic conditions and what they would like to see as the future of the region. Hard copies of the surveys were also available from community libraries identified by ACIA. In total, 111 businesses and 995 local residents participated in the surveys.

Public input was very important to this project, not only to gain valuable insight from key stakeholders who live and work in Atlantic County, but also to build growing investment and support for the strategic plan and its implementation. An unusual level of support for the strategic planning process was noted, with more than 80% of businesses responding to surveys indicating that they believed a regional collaborative approach to economic development would benefit the entire Atlantic County region. It is further important to note that, while 23% of businesses reported they would be willing to help pay for the cost of strategic regional economic development, 43% said they were still undecided about whether or not they would contribute. Those statistics indicate that, while

Market Assessment

the business community sees the need for more strategic economic development conducted regionally, many are waiting to be convinced of the merit of the plan before putting money in the coffer.

The complete set of survey data, including open-ended responses, is provided to Atlantic County in digital format to facilitate further review.

Business Survey Findings:

Respondents considered the most important criteria to doing business to be: access to customers, operating costs, quality of life, tax climate, and security. More than 54% of businesses said development and permitting processes were an impediment to growth or a definite problem in doing business in Atlantic County.

Businesses saw the region's major assets as: access to major metropolitan areas, coastal Atlantic location, tourism, beach lifestyle, Federal Aviation Research Center, Stockton University and AtlantiCare Medical. The greatest impediments to doing business in Atlantic County were seen as high operating costs, specifically high tax levels, compliance with state and local regulations and the lack of local community leadership.

Business surveys show:

- 44% said Atlantic County has plenty of unskilled workers, but an insufficient number of skilled workers, while an additional 37% felt the county has plenty of both
- 36% reported a problem with high turnover
- 74% reported that they have never been contacted about workforce skill needs or training programs
- The most needed incentives were listed as necessary to: mitigate high property taxes, increase low-cost financing, create new jobs, encourage partnerships with universities and colleges, and build entrepreneurship
- There was a clear indication that more support for innovation and entrepreneurship is needed. Roughly 70% of businesses thought more incubators should be created to assist start-ups, 43% saw a need for more Angel funding, and 42% saw a need for general small business training courses.

Top 5 Most Important Factors to Atlantic County Businesses

	Importance*	Satisfaction*
Access to customers	4.37	3.14
Operating costs	4.09	2.63
Quality of life	4.00	3.28
Security	3.85	2.82
Tax Climate	3.83	2.20

"Punitively high taxes, over regulation/unnecessary regulation, adversarial bureaucracy, unfriendly business environment, unstable consumer base."

- Business Survey Respondent

Market Assessment

Resident Survey Findings:

The top decision making factors for living in Atlantic County were ranked (in order) as: 1) Taxation Level, 2) Cost of Living, 3) Overall Health of the Economy, 4) Quality Healthcare, and 5) Job Availability. Residents only considered the Quality Healthcare factor to be met adequately in the region.

Residents felt Atlantic County's greatest assets to be: proximity to the Atlantic Ocean, proximity to major metropolitan areas, coastal quality of life and redevelopment opportunities.

Nearly 38% of resident survey respondents indicated that they are extremely likely or quite likely to move out of the county within the next five years.

Resident surveys show:

- A relatively high percentage of residents (35%) have at one time owned their own businesses, but only 25% of those people still own businesses. The major reasons for no longer owning the businesses were listed as: too high an overall cost of doing business, exorbitant tax levels, cumbersome regulations, and some difficulty finding employees. Some 17% of residents are thinking of starting their own businesses, 23% of those wanting to do so feel they need more small business training.
- More than half of residents reported being unaware that their public school districts offered any type of skills training curriculum for students wishing to enter the workforce directly after high school graduation. Roughly 30% of respondents had attended college courses or skills training sessions in the last year.
- Residents perceive the most serious challenges facing the region to be: high cost of living, general economic health, high taxes, casino closings, lack of available jobs and a lack of strong community leadership.

Top 5 Most Important Factors to Atlantic County Residents

	Importance*	Satisfaction*
Cost of living	4.63	2.13
Taxation level	4.63	1.74
Overall economy	4.56	1.93
Quality healthcare	4.46	3.36
Job availability	4.32	1.86

"Atlantic City needs to be safer and road infrastructure needs to be improved. Partnerships between healthcare and education can be strengthened."

- Resident Survey Respondent

Market Assessment



Federal Aviation Administration William J. Hughes Technical Center

The Assets and Challenges of Atlantic County

Strengths, Weaknesses, Opportunities and Threats:

It is important to understand the scope of Atlantic County's potential assets and the significant issues that must be addressed to support healthy businesses and attract new industries. The understanding of opportunities open to Atlantic County is an important component in developing the strongest and most effective strategic plan. Top assets must be identified and marketed that create advantages for the county over other economic regions, and offer the strongest opportunities to advance healthy economic development.

Often times, a community's most important economic assets are things that its stakeholders take for granted as part of everyday life. Through frank stakeholder discussions during interviews and focus groups, information relayed through online surveys, and an analysis of statistical data reviewed for Atlantic County, AE has developed an assessment of the strengths, weaknesses, opportunities, and threats (SWOT) within the regional market area. This analysis is not intended to be all-inclusive. Rather, it is focused on those areas that are likely to have the most direct impact on economic development efforts in Atlantic County during the next 10 years.

General regional assets and issues can most easily be assessed in terms of:

Strengths: Assets or characteristics that can be built upon to advance current and future economic growth opportunities in the Atlantic County region\

Weaknesses: Issues or characteristics that, if not addressed effectively, could limit current or future growth opportunities

Opportunities: Assets, events, or trends, sometimes outside Atlantic County control, that offer the potential for economic growth and attraction of new industries

Threats: Obstacles, events or trends that, if not addressed effectively, could threaten the Atlantic County's economic potential and its ability to attract, expand and encourage new employers

Market Assessment

Strengths	Weaknesses
Federal Assets	High Unemployment, Poverty
Beaches, Ocean	High Taxes
Stockton University + Atlantic Cape CC	Declining Population
Sports Culture/Activities	Low Industry Diversification
Low East Coast Real Estate Prices	Little Local Economic Development Leadership
International Airport	Onerous State/Federal Regulations
Specialty Agriculture	Pineland/Wetlands Restrictions
Positive Incentives	Deteriorating Infrastructure
Stockton Aviation Research and Technology Park	No Entrepreneurial Culture
Pinelands and Wetlands	Lack of Communication
Varied City Attraction Factors	Little Invested Business Leadership
Shallow Port Access	Largely Unskilled Workforce
Designated UAV Test/Train Center	No Regional Brand
Substantial Skills Training Infrastructure	No Perceivable Portals
Established Destination Factor	Reduced Winter Tourism
Atlantic City International Name Recognition	
Opportunities	Threats
Atlantic City Higher Ed Expansion	Drastically Reduced Tax Base
ACDEVCO Collaboration	Redirection of CRDA Funding
Center for Climate Change Research	Lack Coordinated Highest-Use Property Plan
Repurposing Opportunities	Falling Home Values
Strong Healthcare/Medical Tie-in to Other Industries, Including Manufacturing	High State Regulation of Development/Redevelopment
Expanded Airport Utilization	Severe Weather Impacts
UAV Tie-In to Market Niches	Negative Perception of Atlantic City
Alternative Shuttle/Infinity Airspace	Weak Quality Service Culture
Entrepreneurial Ecosystem Potential	Western Cut-off Factor
Municipal Services Consolidation	Increasing Number of Casinos, including possible North New Jersey
Substantially Underdeveloped Tourism	Inadequate R&D Activity
State/Federal Workforce Incentives	
Commercial Fisheries	
Agricultural Hydroponics	
Expansion of Meetings, Conventions and Trade Shows	

Market Assessment

Key Leverageable Assets:

Atlantic County lays claim to many important underutilized assets that can be used to help existing businesses grow. Those assets, when used effectively, can also give the county an advantage in garnering the attention of the target industries identified for attraction.

Chief among Atlantic County assets are:

- FAA Research Center
- State of the Art Convention Center
- Underutilized International Airport
- International Name Recognition
- Established Destination Factor
- Beaches/Atlantic Ocean
- Ports (Shallow)
- Stockton University
- Diverse Cities/Varied Attractions
- Specialty Agriculture
- Redevelopment Opportunities
- Skills Training Infrastructure
- Ecological Aspects
- Low East Coast Living Costs
- Low East Coast Operations Costs
- Positive Incentives

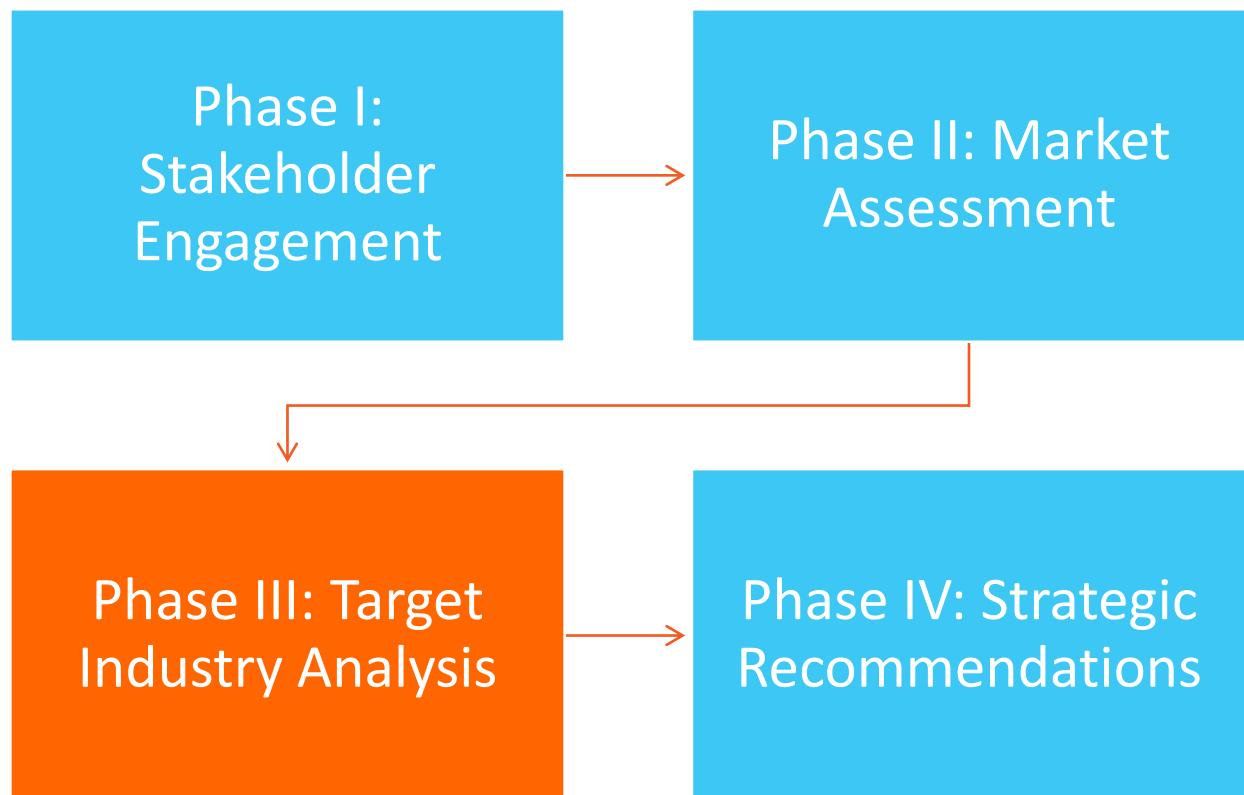
Critical Issues to Address:

Every community around the world has issues that, if left unaddressed, can hinder or severely limit healthy economic growth. No amount of marketing or strategic planning will prove effective in helping a community achieve greater prosperity or long-term economic success unless the issues that affect current businesses and the issues that will turn away potential industries are identified and dealt with quickly and effectively.

Issues identified during market analysis that require attention in Atlantic County are:

- No Regional Economic Development Corp.
- No Regional Brand
- High Operating Costs v. U.S.
- No Adequate Cluster Activity
- High Unemployment
- High Crime Areas
- Overall Low Workforce Skills
- Decreasing Population Base
- Decreasing Housing Values
- Need to Repair/Improve Infrastructure
- Average K-12 Education in Areas
- Limited Universities
- No Significant R&D Activity
- Redundant Municipal Services
- Too Many School Districts
- Low Workforce Skills
- Inadequate Atlantic City Master Plan
- Lack of Regional Coordination
- State Financial Woes
- State-Centric Economic Development Activity

Target Industries



An analysis of target industries for the Atlantic County regional market was conducted as the third phase of the economic development strategic planning process.

The findings of the Market Assessment informed the selection of industries recommended for the focus of limited economic development marketing resources during the 10-year period of the strategic action plan. The Market Assessment and the Target Industry Analysis are the reference set on which the coming Strategic Recommendations will be based.

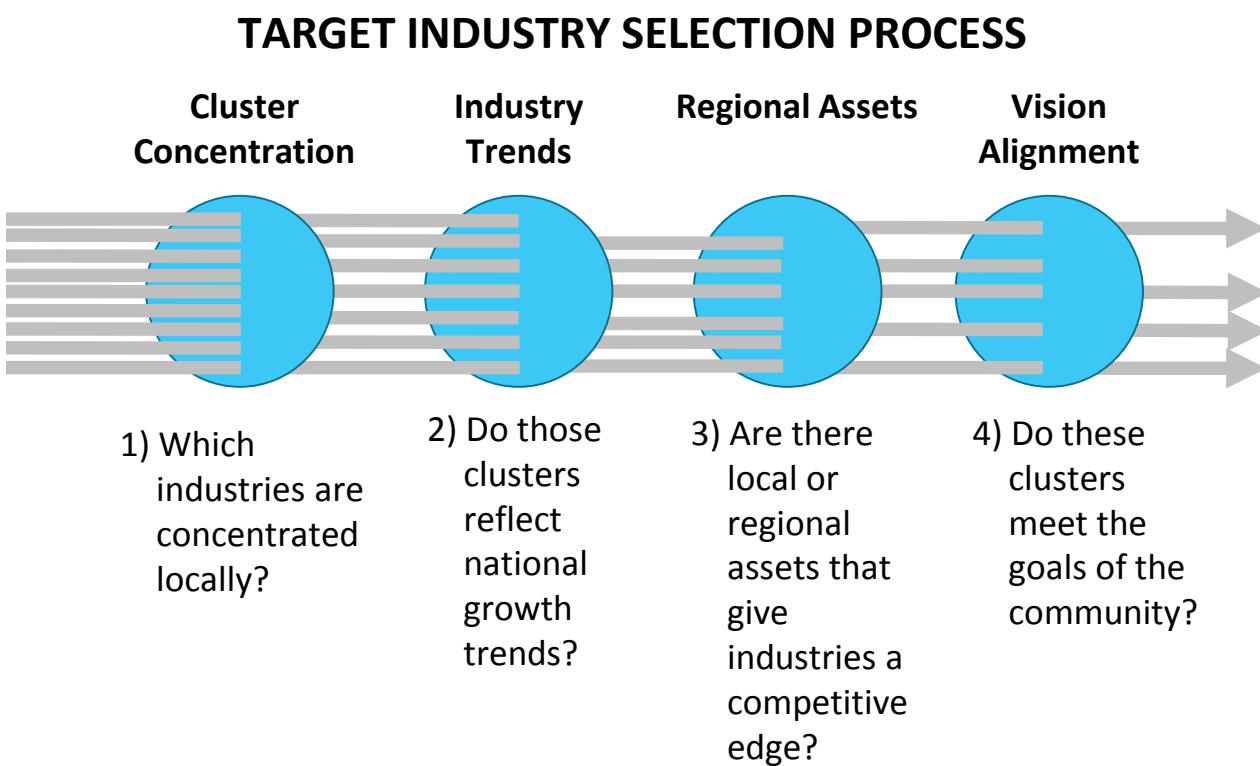
Target Industry Selection

While target industry analysis is always an important part of the creation of any economic development plan, it is critically important to Atlantic County because of the severe lack of positive cluster activity in the region outside of the Travel and Food Services sector that encompasses casino hotels. The chart on the next page shows the extreme reliance of the region on that sector, to the detriment of the healthy formation of other industry clusters.

Target Industry Selection Process

The selection of target industries for Atlantic County is meant to focus limited economic development resources on industries that hold the greatest potential for sustained growth and higher income levels. It is important for community leaders to understand, however, that the selection of target industries should not be viewed as a strategy to ignore all other industries. If Atlantic County can successfully grow the targeted industries identified within its strategic plan, many other sectors will benefit throughout the local economy. Opportunities will arise over time for the development of other industry sectors, and these opportunities should be evaluated and incorporated into the strategic plan when appropriate.

In selecting target industries for Atlantic County, AE conducted a four-step process:

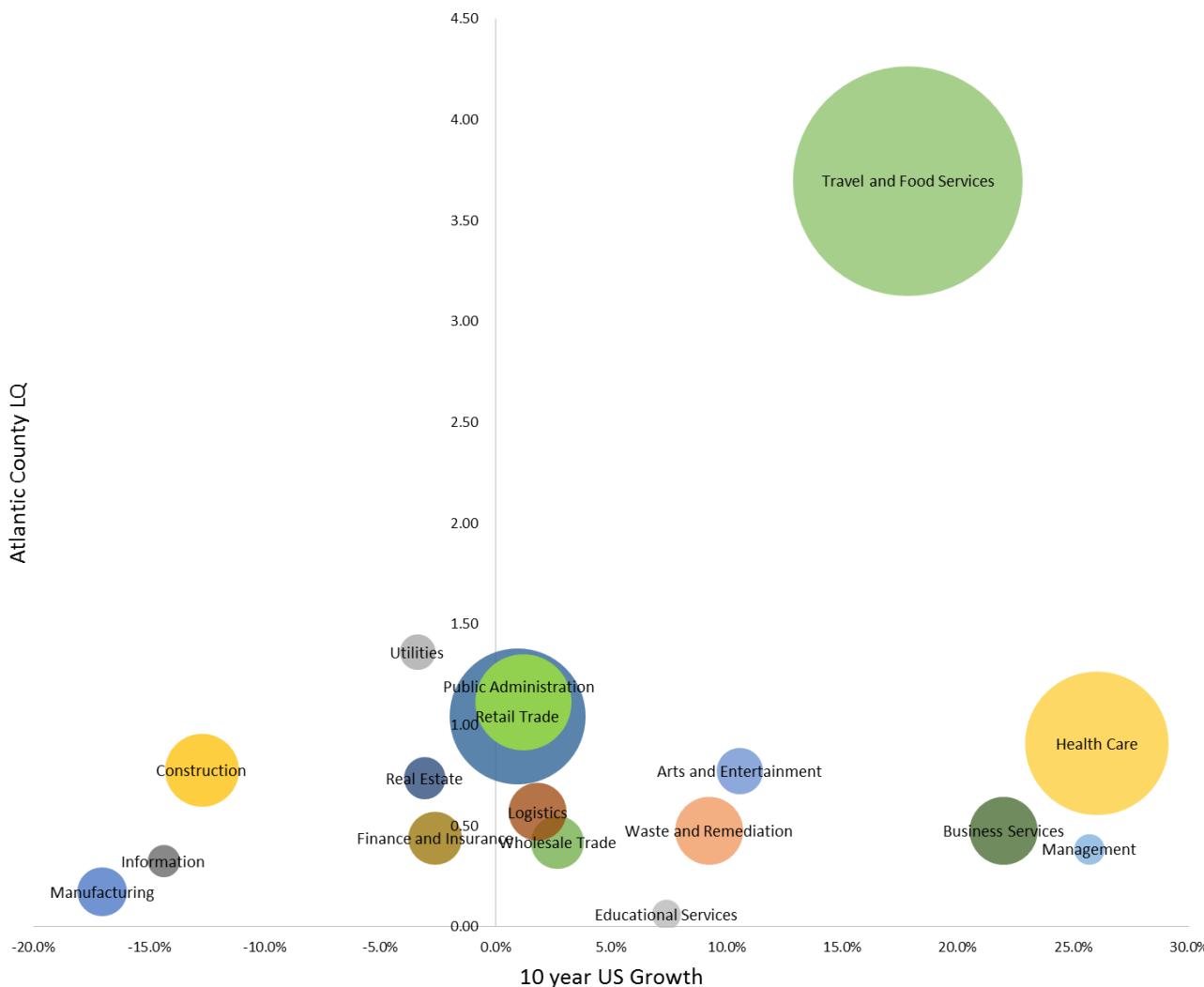


Target Industry Selection

The chart below illustrates the strength of industry clusters in Atlantic County by examining the ratio of employees in the sector compared to the rest of the U.S. economy as a whole (X axis), and the healthy growth of the sector in the U.S. (Y axis). The closer to the top right of the chart an industry is located, the stronger and healthier the industry cluster. The larger the size of the bubble, the larger the number of employees working within the sector.

The Travel and Food Services sector is the only industry appearing in the optimal quadrant of the cluster graph. No other Atlantic County industry comes close in number of employees. The lack of clustering of other industries is so severe, that the Healthcare and Public Administration sectors, which grow and decline according to population numbers, appear as the next significant industry clusters in the area.

Industry Clustering



Sources: Bureau of Labor Statistics

Target Industry Selection

By comparison, the cluster graph to the right for Cedar Rapids, IA shows more normal cluster activity, with several significantly sized industries grouped together supporting the economy.

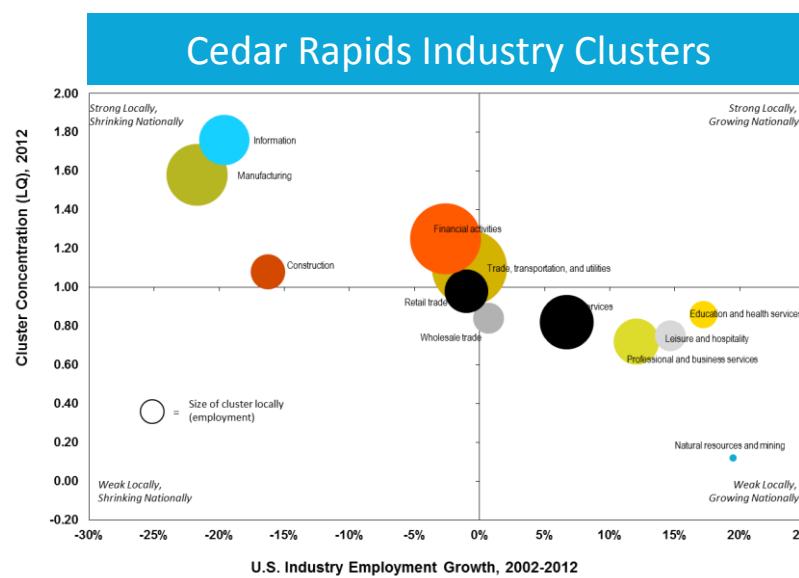
It should be stressed that this extent of dominance by one industry is uncommon and should be regarded as a serious long-term threat to future economic prosperity in Atlantic County. Without the development of strong new clusters and the diversification of industries, the aims of creating higher paying jobs, decreasing unemployment and attracting new businesses to the tax base will remain unattainable.

Diversification will require well-devised strategies and timely action to turn the tide for the resurgence of the economy in Atlantic County. Strategy must be designed to speed up the normal process for developing new cluster activity. To that end, creating, supporting and advancing entrepreneurial activities will be a key element of the strategic plan. It will also be important to look for new ways to better support and grow existing industries and powerful methods of attracting larger employers in target industry sectors.

The critical lack of industry clusters in Atlantic County requires careful examination of market activity and consideration of assets in Atlantic County in the deliberation on the types of industries that might not already have a significant presence, but have a strong chance of thriving competitively in the area and stimulating related business activity.

During the Market Analysis phase of the project, AE identified a number of important assets Atlantic County can use to attract new industries. Key among those leverageable assets are:

- Federal Programs and Facilities
- Market Access
- Stockton Aviation Research Technical Park
- Tourism Elements
- Designated UAV Test Site
- Development/Repurposing Options
- Planned Commercial Research Park
- Potential Global Connectivity
- Alternate Shuttle Landing Designation
- International Name Recognition
- Airport and Airspace Opportunities
- Infrastructure for Skills Training
- Comparatively Low Real Estate Price
- Economic Development Activity in Some Cities



Target Industry Selection

These assets, separately and in combination, help determine the optimal target industries for strategic purposes. As a final filter for target industries, AE considered the objectives voiced for the new Atlantic County Economic Development Strategy and Action Plan by ACIA and key stakeholders. Those guiding objectives have been characterized in the chart to the right.

Working through the process with data from the Market Assessment as a reference, AE has determined five industry sectors on which to focus attention for attraction within the scope of the strategic plan. Those industries are:

- Aerospace and Avionics
- Life Sciences
- Tourism
- Specialty Manufacturing
- Entrepreneurial Business Services

Detail on the five target industries and suggested niches within each is provided on the following pages. Niches were selected for the best matches for the Atlantic County region for mature, diversification and emerging businesses.

Mission

- Sustain and diversify the economy in order to provide a high quality of life for all residents.



Vision

- Increase the tax base of Atlantic County by enhancing the business climate and creating higher-paying jobs.

GUIDING OBJECTIVES



Target Industries

Target Industries and Niches

Aerospace and Avionics

Life Sciences

Tourism

Specialty MFG

Entrepr. Business Services

Testing and Evaluation

Retirement and Assisted Living

Sports and Sporting Events

Boat MFG, Parts and Supplies

Accounting/ Data Processing /Financial

Materials Design and Development

Vaccines/ Pharmacology

Eco-Tourism

Pharmaceutical Compounding

Call Centers

Aircraft Maintenance

Wellness Centers

Gaming (Non-Casino)

Specialty Foods

Engineering, Computer, Design

UAV Design, Evaluation and Repair

Medical Tourism

Tour Packages

Food and Beverage Processing

Cyber Security

Kinesiology and Geriatrics

Festivals and Events

Chemicals

Mature/Core Targets

- Retention
- Expansion

Diversification Targets

- Attraction
- Entrepreneurship and Small Business Development

Emerging Targets

- Expansion
- Attraction
- Entrepreneurship and Small Business Development

Communication Systems Design, Evaluation and Repair

Marine Biology and Eco-Studies

Aqua-Tourism

Aircraft Parts and Design

Travel, Convention and Event Support

Aeronautic Equipment Research and Recovery

Sports Medicine

Agri-Tourism

UAV MFG, Parts and Design

Programming and Gaming

Climate Change Research

Product Design and Prototyping

Special Skills Schools

Target Industries

During the target industries selection process, national growth trends have been tempered with market knowledge of Atlantic County. Some areas in the country are experiencing an upswing in manufacturing, especially in advanced and specialty manufacturing sectors. The federal government has increased funding support to promote manufacturing innovation. Within the East Coast region, Atlantic County is poised to capture some of this resurgence.

Atlantic County has a history in this industry, and it is one of the few areas in the Northeast Coastal U.S. where real estate values could allow for lower operating costs. Agricultural activity, including blueberry production, fisheries and vineyards, and the presence of healthcare activity by organizations actively advancing service packages are stimulants for specialty manufacturing development.

Life sciences is a growing industry and the existence of AtlantiCare with the backing of Geisinger is a positive advantage. The companies have an inclination toward economic development and strategic plans that involve the new development and repackaging of services. Geisinger also has created a set of patient data stemming from its associated insurance program that should allow the health company to move more quickly into new healthcare delivery systems, infrastructure and products.

Atlantic County has vast potential for the development of tourism industries not related to gambling and casinos. Atlantic Coast beaches, historical boardwalks, preserved wetlands and forests, an underutilized airport and culturally rich cities and towns add up to significant attraction points. For better or worse, Atlantic City has international name recognition. The ACEDC can use that recognition to rebrand the area. The region is currently not taking full advantage of communication, city assets or gateway activities to easily develop tourism activities.

With the powerful advantage of the Federal Aviation Administration William J. Hughes Technical Center located close to the Atlantic City Airport and the green light now in developing the public/private research park next door, it is time to take a closer look at possibilities in related aerospace and avionics industries. Potential airport space adds to the strength of the package, and the upcoming 2017 BRAC should be looked at as having the potential to relocate services from closing bases to the area. One of the best cases of low-hanging fruit in terms of new industry is to develop a Maintenance and Repair Operation for aircraft at the airport. Significant interest has already been shown in this operation.

Entrepreneurial business services need to feed the development of new clusters in Atlantic County. There currently appears to be little to no real entrepreneurial support infrastructure in place that will foster the development of these small companies. Strategy must be developed to quickly put in place factors that will encourage the creation of more small businesses.

Industry Sectors:

For a more granular understanding of the selected target industries, industry dashboards and summary information have been provided that indicate the level of industry activity in the region, niche businesses, assets that will provide competitive leverage, opportunities available for the industry, issues that should be addressed related to the industry and the extent to which the industry meets Atlantic County strategic goals. The dashboards also provide a look at each industry's growth in Atlantic County and in the U.S. as a whole during the last 10 years and a sample of the types of jobs the industries.

Aerospace and Avionics

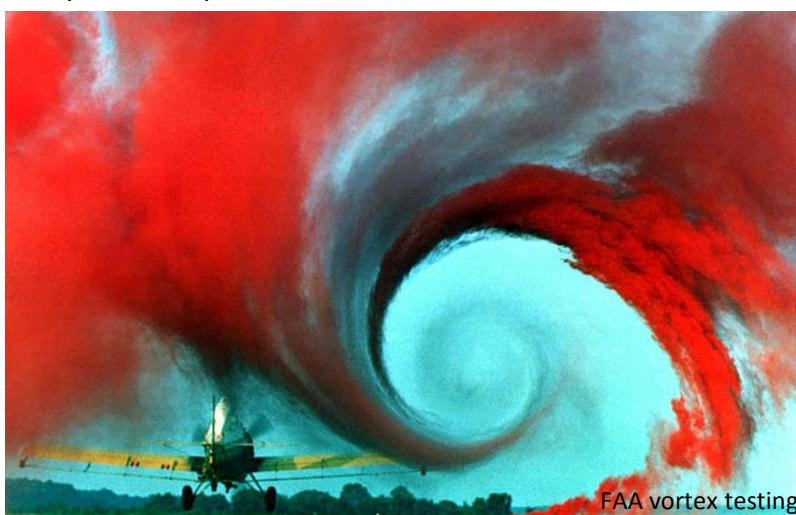
It is difficult to accurately quantify employment numbers and wage information for industries tied to the U.S. government because of the lack of transparency provided on a regional level. Employment and wage estimates for Aerospace and Avionics in Atlantic County is underestimated due to limited information about activity within the FAA William J. Hughes Technical Center.

Atlantic County records indicate that there are 2,800 FAA, National Guard, Coast Guard, Homeland Security, SJTA the fire department employees on the Atlantic City airport grounds. Atlantic County likely has close to 5,000 workers employed in the sector, rather than the 2,100 reflected in BLS records. The average wage of \$89,800 calculated from BLS data is also likely understated, as federal salaries at the research headquarters would be expected to run high.

There has been growth in both one and five-year periods in airport related and UAV and national defense niches. The aeronautics industry offers many higher-paying positions in scientific and research fields. The aviation industry also offers some positions in higher than average wage ranges. Most of those higher paying jobs will require advanced educational degrees and training.

The FAA location contingent to the Atlantic City Airport offers the region the strongest leverage in its economic development portfolio and many opportunities. Bringing the first stage of the business park to reality with its advantage of linkage to FAA data and other resources could attract more innovative businesses to the area and help to foster entrepreneurial growth. Aeronautics and Aviation.

Both private and public interest has been shown in developing a maintenance and operations facility at the airport.



Mature/Core Target

- Testing and Evaluation
- Materials, Design, and Development

Diversification Targets

- Aircraft Maintenance
- UAV Design, Evaluation, and Repair

Emerging Targets

- Communication Systems Design, Evaluation, and Repair
- Enable Tech/Systems Integration
- Aeronautic Equipment Research and Recovery

Operating cost would be competitive for the East Coast area, however funding would have to be secured for runway and warehouse infrastructure.

Avionics offers strong opportunity for bringing higher paying jobs to the area.

Aerospace and Avionics

Atlantic County Snapshot Dashboard

2013 Employees: 2,100
2013 Total Payroll: \$187 million
2013 Establishments: 19
2013 Average Wage: \$89,800
Current Total Sq. Feet: 642,500

Competitive Assets:

- Federal Assets and Research Park
- International Airport
- Ocean Proximity
- Educational Facilities
- State Incentives for Atlantic City

Meets Atlantic County Goals

- ✓ Diversifies Industry Base
- ✓ Compliments Other Targets
- ✓ Provides High-Paying Jobs
- ✓ Builds Positive Brand
- ✓ Transitions Workforce

Key Opportunities

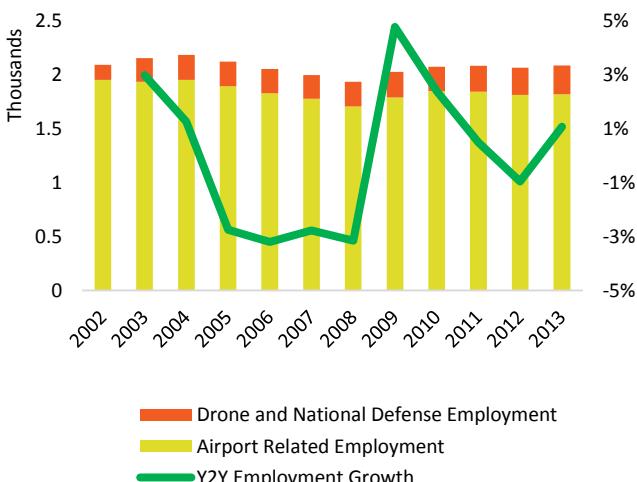
- Underutilized Airport Space
- Designated UAV Test Site
- Alternative Space Shuttle Landing Site
- Undeveloped Research Park Space

Issues to Address

- Low Entrepreneurial Support
- Missing Workforce Skills
- Possible Federal Government Budget Cuts

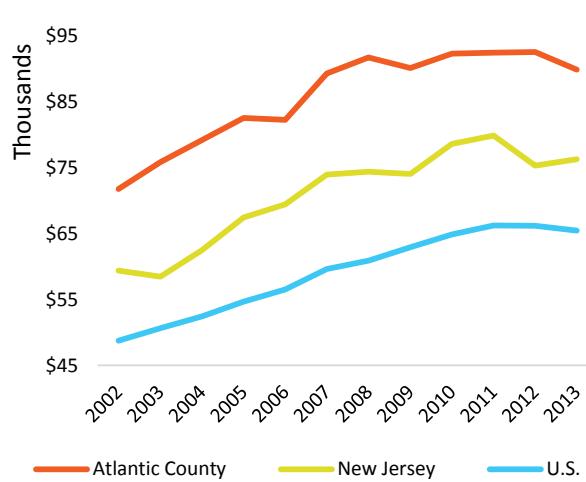
Aerospace and Avionics Market Segment Employment Growth	Atlantic County			U.S.		
	1 Year Growth ('12-'13)	5 Year Growth ('08-'13)	10 Year Growth ('03-'13)	1 Year Growth ('12-'13)	5 Year Growth ('08-'13)	10 Year Growth ('03-'13)
Aerospace and Avionics	x	x			x	x
Airport Related	x	x		x		x
UAV and National Defense	x	x	x		x	x

Aerospace and Avionics In Atlantic County



Sources: Bureau of Labor Statistics

Average Yearly Income



Life Sciences

The life science industry is defined by services, products, and activities broadly related to the research and sustainability of organic life. This broad definition encapsulates a vast range of opportunities for Atlantic County. The life science sector offers two strong directions for Atlantic County economic development - understanding and improving the health of residents and understanding and sustaining the ecosystem within the region. The strong presence of an emerging health care industry and the remarkable pinelands and wetlands environments makes both strategic approaches viable in Atlantic County.



Mature/Core Target

- Retirement and Assisted Living
- Vaccines/Pharmacology

Diversification Targets

- Wellness Center
- Medical Tourism
- Kinesiology and Geriatrics

Emerging Targets

- Marine Biology and Eco-Studies
- Sports Medicine

With nearly 10,000 employees, the Life Sciences sector in Atlantic County is second only to tourism in the number of workers it employs. AlantiCare/Geisenger's focus on leveraging its valuable patient data system into redefined service packages and groundbreaking data-pushed preventative activity will drive innovation.

Aging populations, improved medical treatments, and changes in payment systems will make healthcare spending more efficient and also spur innovation and reform.

Alternative medicine services could also be combined with holistic services. Strong health employment numbers, leading health industry players, recent infrastructure and Atlantic County's geographic location amidst a very large driving range population offer an opportunity for advancement of the Life Sciences sector. Every effort should be made to grow significant university and private R&D in this field.

The county offers green settings and slower-paced atmospheres conducive to holistic health services that treat the whole patient – mind, body and spirit. Atlantic City holds potential to become a regional location for specialized medicine medical tourism.

While healthcare is an important component of life science, the preservation of ecosystem is also vital. The pinelands and the wetlands regions have played their role throughout the history of Atlantic County in attracting residents looking to escape the hustle and bustle of metropolitan life.

Life Sciences

The environment therefore has played a crucial role in shaping the culture and identity of the county. University and college partnerships should be pursued in order to facilitate research and conservation of the county's most unique resource.

One of the most exciting opportunities open to Atlantic County is the possibility of establishing a major center there for climate change research. The U.S. Environmental Protection Agency has determined the Mid-Atlantic Region to be a critical area due to high sea-level rise. Princeton University reports on climate change lend credence to the idea of Atlantic City as an international headquarters for climate change research. Architecture giant Perkins+Will has proposed using Atlantic City's empty infrastructure as a research center for climate change and coastal resiliency. Increasing R&D activity would be of great benefit to the region and could help redefine the area as a center for ocean related studies. Every effort should be made to turn this research activity into a reality.



“Betting on a resilience training campus is probably one of the safest entrepreneurial ideas to pop up in Atlantic City for decades.”

-- Christina Farnsworth, National Association of Real Estate Editors

Current wage averages in life sciences are not high in Atlantic County, and the average income trend has leveled off since the recession. Income levels in this field are growing in both New Jersey and the U.S., creating significant potential for higher future wages in the local sector.

Life Sciences

Atlantic County Snapshot Dashboard

2013 Employees: 9,500

2013 Total Payroll: \$448 million

2013 Establishments: 700

2013 Average Wage: \$47,400

Current Total Sq. Feet: 7.8 million

Competitive Assets:

- Proximity to Ocean/Marine Life
- Specialty Agriculture
- Current and Planned Educational Facilities
- Stockton Medical Curriculum Development
- Strong Medical Facilities
- Low Land and Real Estate Costs for Northeast

Key Opportunities

- Medical Tourism
- Specialty Clinics and Fields of Care
- Location for Marine Biology School
- Geisinger/Atlantic Care Merger - Medical School
- Shore Medical Center, Bacharach Institute for Rehabilitation

Issues to Address

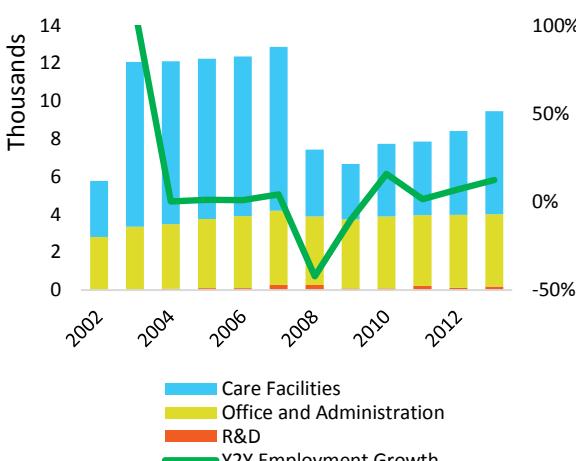
- Low Entrepreneurial Support
- Deteriorating Infrastructure
- Declining Populations
- Low Entrepreneurial Support for Supply Chain

Meets Atlantic County Goals

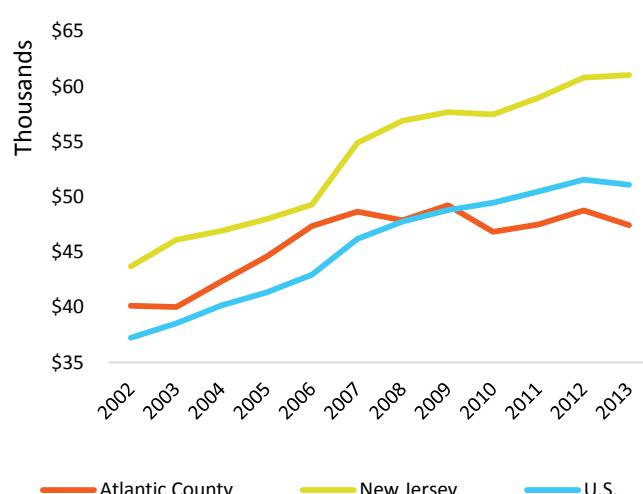
- ✓ Diversifies Industry Base
- ✓ Complements Other Targets
- ✓ Provides High-Paying Jobs
- ✓ Builds Positive Brand
- ✓ Transitions Workforce

Life Science Market Segment Employment Growth	Atlantic County			U.S.		
	1 Year Growth ('12-'13)	5 Year Growth ('08-'13)	10 Year Growth ('03-'13)	1 Year Growth ('12-'13)	5 Year Growth ('08-'13)	10 Year Growth ('03-'13)
Life Sciences	x	x		x	x	x
R&D	x			x	x	x
Office and Administration			x	x	x	x
Care Facilities	x	x		x	x	x

Market Segment Employment



Average Yearly Income



Sources: Bureau of Labor Statistics

Tourism

The Tourism sector is by far the leading source of employment in Atlantic County, with 48,000 workers and \$1.4 billion in payroll in 2013. There is more than 7 million sq. feet of infrastructure already in place supporting tourism businesses. Casinos have boosted annual wage averages in Atlantic County above those paid in the sector in New Jersey and the U.S., but at an average annual of \$28,000, wages are still low. Developing service sectors with higher-end products will help raise wages for new businesses above the current average.

History proves that Atlantic County has vast potential for the better development of tourism industries not related to gambling and casinos. Atlantic Coast beaches, historical boardwalks, preserved wetlands and forests, an underutilized airport and culturally rich cities and towns add up to significant attraction points for those looking for a vacation location or mid-week get-away.

Atlantic City is an established destination. Expanding tourism seasons by moving activities indoors and better developing outdoor winter sports is important. Tennis and soccer competitions can easily be moved indoors during inclement weather. The name recognition and accepted destination location attached to Atlantic City make it a good choice for corporate indoor theme parks. Unoccupied oceanfront infrastructure could be repurposed to indoor parks with attached hotel space.

Also important is connecting the attractions and activities of all the municipalities together into a well-marketed marketing package. Brochures should be developed seasonally and according to interest. Regional information should be available and easy to find at all major portals and tourist gathering places – rental car agencies throughout New Jersey and Pennsylvania, hotels in the region, at conventions and special events, in public offices, etc. A website should be created devoted to cultural, social and sports activities that provides information on all sites and current activities within the Atlantic County region, along with GPS location options.

One of the most important changes to the promotion for Atlantic County should be in developing a tourist office in or around the Philadelphia airport portal and rail station. There is currently very little, if any, information on Atlantic City and Atlantic County available to travelers who fly into the area. There appears to be no highly visible coordinated transportation from the airport to downtown Atlantic City. Having a colorful, well-organized connection to Atlantic County at the flight portal will be critical in promoting the tourism opportunities of the region.

Mature/Core Target

- Sports and Sports Events
- Eco-Tourism

Diversification Targets

- Gaming (Non-Casino)
- Tour Packages
- Festivals and Events

Emerging Targets

- Aqua-Tourism
- Agri-Tourism

Tourism

Atlantic County Snapshot Dashboard

2013 Employees: 48,000

2013 Total Payroll: \$1.4 billion

2013 Establishments: 1,100

2013 Average Wage: \$28,300

Current Total Sq. Feet: 7.4 million

Competitive Assets:

- Quality of Life and Natural Beauty
- Beaches, Boardwalk, Golf
- Pinelands/Wetlands
- Historic Name Recognition of Atlantic City
- Blueberries, Cranberries, Wine and Other Ag
- Casino Gaming and Entertainment
- Proximity to Major Cities
- Quaint Seaside Towns
- Combined Historic and Cultural Attractions
- Available Workforce

Meets Atlantic County Goals

- ✓ Diversifies Industry Base
- ✓ Compliments Other Targets
- ✗ Provides High-Paying Jobs
- ✓ Builds Positive Brand
- ✓ Transitions Workforce

Key Opportunities

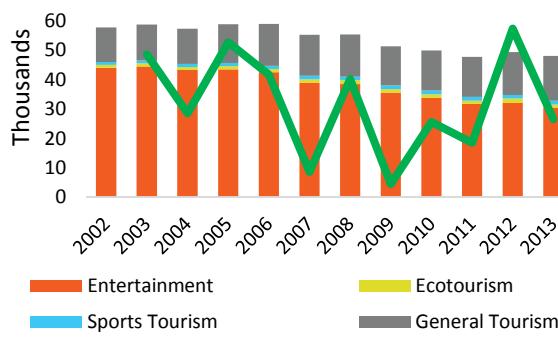
- Redevelopment/Repurposing Options
- Expanded Flights at International Airport

Issues to Address

- Low Entrepreneurial Support
- Deteriorating Infrastructure
- Current Negative Perception of Atlantic City
- No Deep Port Access
- Winter Weather Limitation

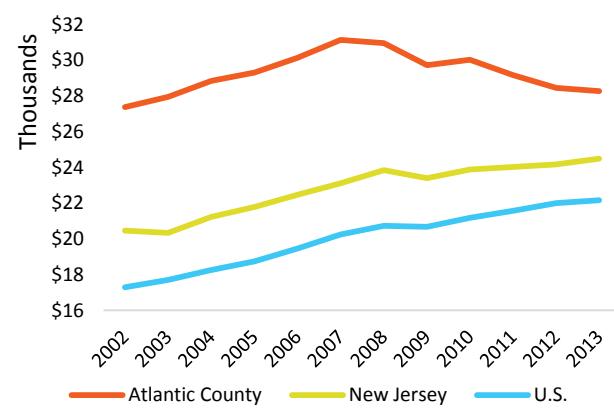
Tourism Market Segment Employment Growth	Atlantic County			U.S.		
	1 Year Growth ('12-'13)	5 Year Growth ('08-'13)	10 Year Growth ('03-'13)	1 Year Growth ('12-'13)	5 Year Growth ('08-'13)	10 Year Growth ('03-'13)
Tourism			x		x	x
Entertainment		x		x	x	x
Ecotourism			x	x	x	x
Sports Tourism	x	x	x	x	x	x
General Tourism	x	x	x	x	x	x

Market Segment Employment



Sources: Bureau of Labor Statistics

Average Yearly Income



Specialty Manufacturing

Things are looking up in manufacturing sectors around the world. Technical innovations are continually driving the industry toward smaller processes. 3D printing technology has opened up the manufacturing industry to new participants. No longer is it necessary to have hundreds of thousands of dollars-worth of equipment to design and produce prototypes. Shared maker spaces are allowing individuals and small businesses to get prototypes in front of investors affordably. This is leading to more innovation, smaller infrastructure requirements and a trend toward decentralized manufacturing hubs.

Very little specialty manufacturing currently occurs in Atlantic County. BLS reveals only 60 businesses engaged in the sector, with less than 1,000 employees. Average annual wages earned by specialty manufacturing workers in the region are low and falling. Taking advantage of a new era of product development and improving design and technology skills can lead to better manufacturing jobs and wages.

Specialty manufacturing should not be seen as a standalone industry. Rather, it is an auxiliary industry that provides value added products for the already existent agricultural industry as well as the suggested target industries of life science and aerospace and avionics. The industry is a way for Atlantic County to leverage existing resources and further build on them or to provide additional services that assist in building a rich supply chain.

Agriculture is a prominent industry in Atlantic County with a wide spectrum of focus ranging from vegetable hydroponics to shellfish aquaculture. Specialty manufacturing in this instance relates to farm-to-table production. Value added processes such as the production of blueberry wine, vegetable cleaning, and clam shucking are all ways to build on the already successful agriculture industry within the county.

In this report, AngelouEconomics recommends the life science industry as a target industry for Atlantic County. Medical manufacturing provides a synergistic component in the supply chain of this industry. Hospitals require medical apparatuses, test kits, and surgical supplies. Furthermore, future growth in medical research will make the county more appealing to pharmaceutical manufacturers looking to build off of the existing network.

Mature/Core Target

- Boat MFG. Parts, and Supplies
- Pharmaceutical Compounding

Diversification Targets

- Specialty Foods
- Foods and Beverage Processing
- Chemicals

Emerging Targets

- Aircraft Parts and Design
- UAV MFG, Parts and Design
- Product Design and Prototypes

Specialty Manufacturing

The FAA William J. Hughes Technical Center, drone test site designation, and the Atlantic County airport are key assets for the development of specialty manufacturing. Businesses have the opportunity to partner with the FAA facility and leverage their testing facilities and research data in building new components related to aviation and flight control. The designation of the county as a drone test site creates for a convenience factor for manufacturers due to the opportunity to test prototypes in their "backyard". Finally, AngelouEconomics recommendation of encouraging maintenance and repair operations within the Atlantic County airport will create a necessity for aviation components and parts. Proximity to the airport, as well as a number of large airports within the North East can help foster a supply chain network within the region.

There are many strong opportunities for new specialty manufacturing entrepreneurial businesses in Atlantic County. Aeronautical research and technology related product manufacturing leverages the new Stockton Aeronautics Research and Tech Park and the incomparable FAA asset.

Innovative food startups and food preparation and manufacturing leverage the name recognition of casino chefs, the off-season festival capability of infrastructure, and the strong local culinary programs. Expanding craft breweries and wineries leverage the superior regional water quality, tie into tourism strategies and leverage the existing popularity of Irish festivals in Atlantic City.

✓ Game Changer: Attract Microbreweries to Atlantic County

Craft brewing has grown by 536% between 1994 and 2014 and today makes up roughly 19% of the overall beer market in the U.S. A good craft beer requires four key ingredients: malts, hops, yeast, and water. While the first 3 are easy to acquire, breweries will generally locate near quality sources of water due to difficulties in transporting the ingredient. The Kirkwood-Cohansey Aquifer has played a role in supplying local bakeries with high quality water. Likewise, it can play a role in establishing breweries in Atlantic County. Furthermore, the county's rustic communities are ideal for destination breweries that not only provide quality micro brewed beer but also an escape from urban centers.



Specialty Manufacturing

Atlantic County Snapshot Dashboard

2013 Employees: 900
 2013 Total Payroll: \$31 million
 2013 Establishments: 60
 2013 Average Wage: \$35,800
 Current Total Sq. Feet: 1 million

Competitive Assets:

- International Airport Capacity
- Regionally Low Real Estate Prices
- Educational Assets for Workforce Training
- Logistical Advantage to Key Markets (Lower Freight Costs)
- Comparatively Low East Coast Real Estate Prices
- FAA/UAV Test Facilities
- Private FAA-Linked Research Park
- Local Commercial Parks

Meets Atlantic County Goals

- Diversifies Industry Base
- Compliments Other Targets
- Provides High-Paying Jobs
- Builds Positive Brand
- Transitions Workforce

Key Opportunities

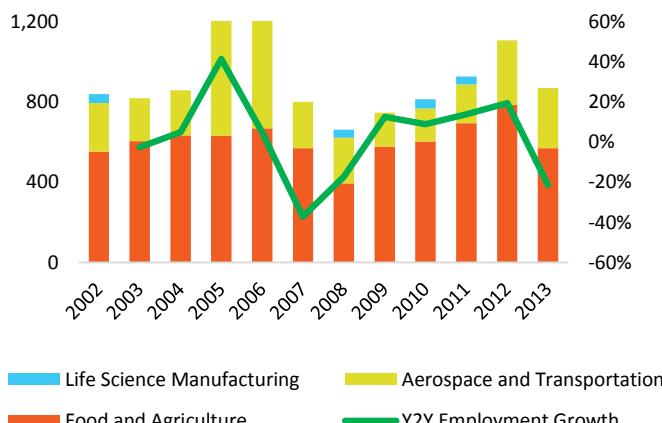
- Air Cargo Expansion at Atlantic City Airport
- Specialty Agriculture
- Collaborative Private/College and University Research Funding

Issues to Address

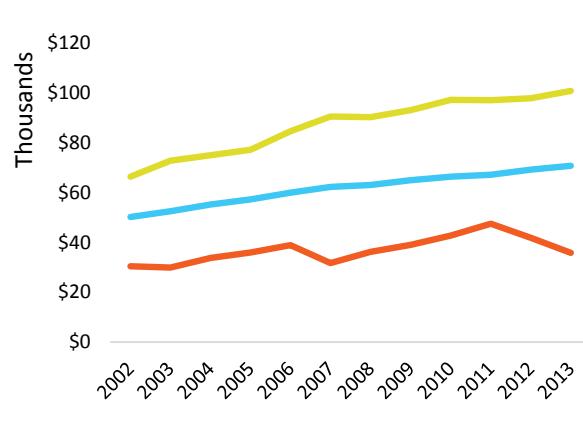
- High Level of State Regulation/Taxes
- Lack of Business Leadership
- Predominantly Unskilled Workforce

Specialty Manufacturing Market Segment Employment Growth	Atlantic County			U.S.		
	1 Year Growth ('12-'13)	5 Year Growth ('08-'13)	10 Year Growth ('03-'13)	1 Year Growth ('12-'13)	5 Year Growth ('08-'13)	10 Year Growth ('03-'13)
Specialty Manufacturing		x	x	x		x
Food and Agriculture		x	x	x	x	x
Aerospace and Transportation	x	x	x			
Life Science Manufacturing			x			x

Market Segment Employment



Average Yearly Income



Sources: Bureau of Labor Statistics

— Atlantic County — New Jersey — U.S.

Entrepreneurial Services

Businesses – and the people who start them and work for them – create jobs and compete in the global marketplace. Atlantic County's ability to diversify and achieve economic success depends largely on the smart, creative people and new ideas that will keep the region vibrant.

Atlantic County currently has very little in the way of support for entrepreneurs. If the region is going to step up its level of competitiveness, stakeholders will need to devote serious attention to developing policies and investments that foster smart people, smart ideas and the right environment to promote innovation. To get started, the ACEDC should:

- Create investment in (R&D) funds
- Support educational institutes that produce cutting-edge research and a skilled workforce
- Invest in commercializing new discoveries and technologies that lead to new products and new companies.

Atlantic County has a population of active foreign-born entrepreneurs that run small businesses of all kinds, but primarily turn their attention to retail. A wider range of entrepreneurial endeavors should be fostered, with attention paid to the target industries the region hopes to attract. Engineering, computer, design and technology businesses will help grow aeronautics and avionics, medical services and specialty manufacturing industries. They will also help cultivate the birth of gaming companies that can help Atlantic City increase its reputation for non-casino gaming.

Current entrepreneurial companies provide one of the highest average annual wages in the region. With an average in excess of \$63,000/year, the entrepreneurial workforce wage is second only to aeronautics and aviation, and wages in the sector appear to be on a positive rise. More than 6,000 people in Atlantic County currently earn their livings based on the innovation of hardworking, successful small business concerns.



Entrepreneurial Services

Atlantic County Snapshot Dashboard

2013 Employees: 6,100

2013 Total Payroll: \$398 million

2013 Establishments: 1,100

2013 Average Wage: \$65,300

Competitive Assets:

- Quality of Life
- Educational Facilities for Business Training
- Proximity to Major Cities
- Emerging Creative Cities
- Existing Nucleus of Successful Foreign-Born Entrepreneurs
- Room for Successful Businesses Development

Meets Atlantic County Goals

- Diversifies Industry Base
- Compliments Other Targets
- Provides High-Paying Jobs
- Builds Positive Brand
- Transitions Workforce

Key Opportunities

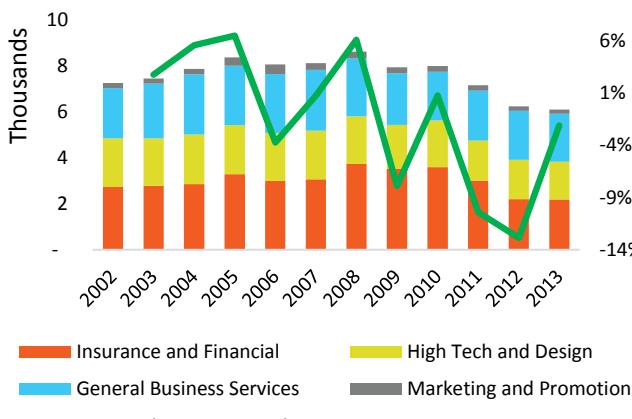
- Regional Plan to Attract New Industries
- Development of Live/Work Environments
- Underdeveloped Supply Chains

Issues to Address

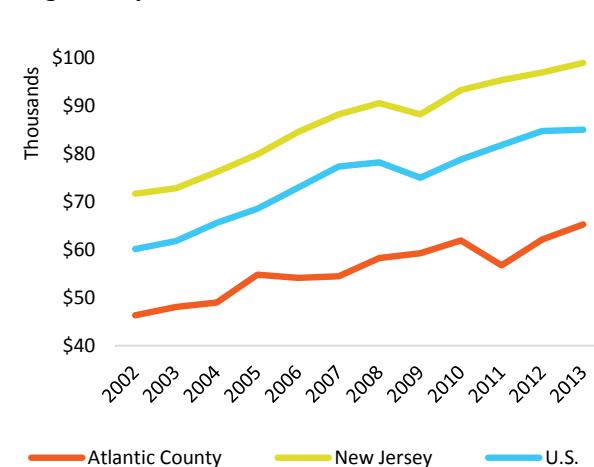
- Low Entrepreneurial Support
- Lack of Industry Diversification
- Lack of Adequate Incubators/Accelerators
- Lack of Co-working Space

Entrepreneurial Services Market Segment Employment Growth	Atlantic County			U.S.		
	1 Year Growth ('12-'13)	5 Year Growth ('08-'13)	10 Year Growth ('03-'13)	1 Year Growth ('12-'13)	5 Year Growth ('08-'13)	10 Year Growth ('03-'13)
Entrepreneurial Business Services				x	x	x
Insurance and Financial				x		
High Tech and Design				x	x	x
General Business Services				x	x	x
Marketing and Promotion				x		x

Market Segment Employment



Average Yearly Income



Sources: Bureau of Labor Statistics

Cost of Operations

Cost of Operations

After identifying target industries for Atlantic County economic development, AE further studied the comparative costs associated with operating three companies within the targeted sectors in Atlantic County and other appropriate benchmark areas. It is important to understand the costs associated with opening target industry niche businesses in Atlantic County to determine the extent of competitiveness that exists and to see where policies need to be implemented to level the playing field. Further Cost of Operations detail on the three businesses is provided in the Appendix.

Call Centers

When compared to benchmark locations of Dubuque County, IA; Erie County, PA; Roanoke City, VA; and Washoe County, NV, Atlantic County was not a competitive location for a call center, and had the highest annual cost of operation at an estimated \$6.6 million compared to Dubuque County, which had the lowest annual cost estimate of \$5.5 million. Atlantic County's highest operating were for employee payroll and benefit packages. Taxes and utilities were also significantly higher than average in Atlantic County for those companies. Atlantic County had an advantage in building/lease payments over three of the four benchmarks. The County should utilize state employment incentives to mitigate the higher payroll costs.

Food Processing

Research into costs associated with running a food processing plant in Atlantic County compared to the costs of running that plant in benchmark locations of Dubuque County, Erie County, Roanoke City and Houston County, GA found that, again, Atlantic County proved to be non-competitive with the highest estimated annual cost of \$3.8 million compared to the lowest-cost benchmark of Houston County, which had an estimated cost of \$2.4 million. Once again, employee payroll and benefit costs and utility expenditures in Atlantic County drove the operating costs higher than that of benchmark locations. Interestingly, property taxes were lower in Atlantic County than either Roanoke City or Houston County. The ACEDC and other marketers should promote Atlantic County's property tax advantage when targeting food processing companies.

Aircraft Maintenance and Repair

Atlantic County does show significant promise as a competitive location for an aircraft maintenance and repair organization (MRO). This is likely the reason that both private and public organizations have contacted Atlantic City airport authorities with interest in an MRO project in the past. There is land space available at the Atlantic City airport that could be used as an MRO location, although infrastructure would have to be built, including the creation of a taxi runway linking the facility to the main airport runway and the warehouse facility where the work is done.

When compared to benchmark locations with an existing MRO – Essex County, NJ; Queens County, NY; and Philadelphia/Delaware Counties, PA – Atlantic County reflected advantageous cost factors for employee payroll and benefits, building costs/lease payments, and property tax. The highest cost benchmark for an MRO was Queens County, estimated at \$40.4 annually. The lowest cost benchmark was Philadelphia, with an estimated annual operations cost of \$30 million. Atlantic County can offset some of its cost disadvantages by offering highly competitive lease terms to MROs looking to locate in the north east.

Strategic Recommendations



Armed with a solid understanding of the strengths and weaknesses of the Atlantic County market area, the assets within its boundaries, the issues with which it struggles, and the industries the region will focus on attracting, we are better equipped to take closer look at the mission, vision and goals set by ACIA for the coming 10 years. During the market assessment phase of the project, the ACIA staff and the steering committee reviewed and set a vision for the future that establishes direction for the plan.

The underlying purpose for a new economic development strategic plan for Atlantic County is to raise the level of prosperity enjoyed by businesses and area residents, therefore ensuring a higher quality of life now and in the years ahead. To do that, Atlantic County aims to increase the diversity of industries that support the region, building networks of supply chains and reducing the risk that a downturn in any one industry will result in a significant impact on the region.

Strategic Recommendations

Atlantic County stakeholders look to the strategic plan for regional guidance to build a business-friendly and supportive environment, one that helps existing companies grow and become more successful. That environment will also cultivate interest by new industries in moving into the region with higher paying jobs to the area.

To do that, four guiding objectives were developed to enable stakeholders to attain the vision it aspires to achieve.

First, Atlantic County stakeholders will become the force that champions a new push for regionalism, encourages collaboration between the many cities and rural areas and reduces silos of information. An era of communicating with and supporting local businesses will be born, where economic development experts will meet with major employers and industry leaders on a regular basis to establish ways of ensuring their continuing success.

With a new focus on regionalism, ACEDC can leverage the international recognition factor of Atlantic City and dilute negative perception by broadening the brand to encompass the wider region. That will bring into play the many assets and attractions within the 23 municipalities and the rural areas in the region. It will change the world's perspective of Atlantic County in terms of Atlantic City to a healthier balance of Atlantic City as one of the many assets of Atlantic County.

New direction will allow the ACEDC to compete with more leverage in domestic and international markets. The economic development corporation will aggressively market Atlantic County as a new location for industries. It will work to build more research and development activity, better workforce skills, and a wider product base. It will take advantage of a broader concept of its power as a destination location.

The four guiding objectives can be further focused and better articulated into four overarching goals that will provide the framework for the economic development strategic plan.

Mission

- Sustain and diversify the economy in order to provide a high quality of life for all residents.



Vision

- Increase the tax base of Atlantic County by enhancing the business climate and creating higher-paying jobs.



GUIDING OBJECTIVES

- 1 • Champion Regional Economic Development
- 2 • Create a Strong Business Environment
- 3 • Broaden and Improve Brand
- 4 • Compete with Leverage in International Markets

Strategic Recommendations



Establish a Regional Economic Development Corporation



Drive Industry Diversification



Improve Economic Development Product



Rethink Destination Factor

Goal 1: Establish a Regional ED Corporation

Since the legalization of gambling in New Jersey in 1976, and the opening of the Resorts Casino in 1978, Atlantic City has benefitted from huge revenues brought in by the casino industry. So has Atlantic County and the state. The Casino Reinvestment Development Authority, created in 1984, began to funnel what has amounted to \$1.8 billion of casino money into public improvement and housing projects throughout the state.

Riding high on that wave of cash flow, the city and the county did less to develop a diverse economic development strategy than most other regions in the country. To a large extent, strategic economic development activity in Atlantic County, and most other counties in New Jersey, has been left in the hands of the state and its public Economic Development Authority. The various cities and municipalities in Atlantic County handled what little marketing of themselves they conducted in silos, in most cases unaware of things going on in the other cities and municipalities around them.

The problem with this lack of cohesive strategy is that economic development is a local business. Each region must be aware of the assets and opportunities within its boundaries and be aggressive in marketing them to the world at large. With little knowledge of the economic direction of Atlantic County, the New Jersey EDA lacks impetus to deliver possible industries to the local region rather than to some other area in the state.

When the Atlantic City casino industry collapsed in 2014, the true cost of the lack of high level economic planning became apparent. To catch up with the rest of the world and turn around negative trends in unemployment, poverty and insufficient budget funding, Atlantic County businesses and residents must quickly bind together in a shared plan for strategic economic development and use the strength of partnerships to enter the international game.

The desperate focus on jobs has fueled counterproductive intraregional competition in New Jersey, luring companies out of Atlantic County to take advantage of incentive opportunities offered by the state in Camden County and other areas. Even within Atlantic County, communities offer financial enticements or tax incentives to lure companies away from municipalities next door in a short-sighted attempt to undercut their neighbors and shift more businesses and jobs within their own borders.

This is a zero-sum game between economic development players that should be wielding greater power by playing on the same team. New industries must move into Atlantic County and new jobs must be created. The businesses, residents, cities and economic development organizations within Atlantic must commit to a strong plan for regional strategy.

Goal 1: Establish a Regional Economic Development Authority

Strategy 1	Create a Public/Private Economic Development Corporation
Strategy 2	Develop Local Partnerships
Strategy 3	Improve Regional Communication and Planning
Strategy 4	Market the Region

Goal 1: Establish a Regional ED Authority

Economic Development Organization Models



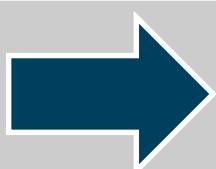
Economic Development Corporations

- More likely to focus on business incentives and development
- Have larger economic development staff and pay higher salaries Increasingly turning to local governments/private sector for funding



Chambers of Commerce

- Reducing support for traditional economic development activities
- Increasing focus on providing community development and tourism related services



Local Governments

- Continued focus on facility and infrastructure development with emphasis on downtown redevelopment and neighborhood revitalization



Regional Planning Councils

- Focus on infrastructure planning efforts and advocacy and management activities



Goal 1: Establish a Regional ED Authority

Strategy 1: Create a Public/Private Economic Development Corporation

As a first step, local business and community leaders should create a public/private economic development corporation initially funded by Atlantic County and donations from the surrounding business community. Funding for the first year should be 70% from public and 30% from private sources. In future years, the Atlantic County Economic Development Corporation (ACEDC) should achieve 100% private funding. Additional funding by the state and federal grants should be researched.

Some of the most common factors of successful economic development organizations include:

- Public and private sector buy-in
- Committed volunteer leadership
- Long-term, stable financial support
- Importance of regionalism
- Talented and Trained staff
- Clear program of work
- Accountability through performance metrics

A) Create an EDC Board

The first action in accomplishing the Atlantic County Economic Development Corporation will be to establish a board of experienced talent from within the region that can work together to create, staff and fund the new corporation.

B) Develop a Governance Agreement

To aid cities and economic development organizations within Atlantic County in breaking out of their long held silos, ACEDC will need to draft governance agreements that set the rules and framework for regional cooperation and overall strategic economic advancement. There are many approaches to regional economic development agreements. Atlantic County will have to assess the issues that exist between cities and local organizations and develop an agreement that works best for the area. There are, however, some common objectives:

1. Establish ACEDC as the single initial point of contact.
2. Project regional unification in simple terms to industries and site locators.
3. Start slow with simple agreements every partner can live with.
4. Collect and share all information. Insist on transparency.
5. Develop anti-poaching practices through Expansion and Retention programs.
6. Obtain the buy-in and active support of all major cities.

Key Actions

- A) Create a EDC Board
- B) Develop a Governance Agreement
- C) Establish an Independent Office
- D) Determine Organizational Setup and Staffing
- E) Establish Initial Budget

“Developing a regional framework that focuses on a clear, cohesive, and unified economic development strategy projects a positive business environment to outside firms, while encouraging the expansion and retention of existing businesses.”

- National League of Cities

Goal 1: Establish a Regional ED Authority

Best Practices

Partnership Gwinnett Gwinnett County, Georgia

Partnership Gwinnett is a public-private initiative founded to bring new jobs and capital investment to Gwinnett County, Georgia. Since 2006, the organization has worked with local partners to attract and retain jobs, cultivate capital investment, support educational institutions, foster workforce development, and contribute to the quality of life found in Gwinnett. One of the most successful EDCs of its size, in 2014 the Partnership won 23 new projects, creating 1,645 new jobs \$125 million in new capital investment. The EDC also runs an aggressive Business Retention and Expansion program, visiting more than 100 local companies a year.

The Partnership runs an extremely aggressive marketing program, implementing telephone, email and postal campaigns continually each year. The organization is also adept at collaboration and works with neighboring regions to extend its strategic efforts, including continuing commitment to Metro Atlanta's first regional economic development strategic plan.

For more information, visit: <http://www.partnershipgwinnett.com/>



OUR COUNTY'S ACHIEVEMENTS REPRESENT THE SUPPORT AND COLLABORATION OF PARTNERSHIP GWINNETT'S MANY PUBLIC AND PRIVATE PARTNERS, WHOSE DEDICATION IS ESSENTIAL TO THE INITIATIVE'S CONTINUED SUCCESS.

*- CHAIRMAN CHARLOTTE NASH,
GWINNETT COUNTY BOARD OF COMMISSIONERS*

1,645
NEW JOBS

23
PROJECT WINS

\$125M
CAPITAL INVESTMENT

OVERVIEW OF GOALS

GOAL 1	GOAL 2	GOAL 3
COMPREHENSIVE ECONOMIC DEVELOPMENT	WORLD CLASS TALENT	COMMUNITY & LEADERSHIP DEVELOPMENT
Optimize efforts aimed at the recruitment, retention, and expansion of new and existing companies in Gwinnett's five target sectors: Advanced Manufacturing, Professional & Corporate Services, Health Sciences & Services, Information & Technology Solutions, and Supply Chain Management. Continue to encourage companies of all sizes to contribute to job growth and wealth creation, including entrepreneurs and small business, as well as international and minority-owned businesses.	Promote the success of Pre-K through 12th grade educational systems, while encouraging the expansion of higher education institutions. Support the enhancement of talent-development programs and resources to meet the needs of the growing Gwinnett community.	Encourage mobility and competitive infrastructure within Gwinnett and throughout the region; promote redevelopment and more sustainable development patterns; enhance the arts, cultural, and recreational resources of the County, as well as the development of dynamic public spaces and activity centers; maximize Gwinnett's diversity to enhance community vitality; foster the next generation of leadership; and boost awareness of community assets.

Goal 1: Establish a Regional ED Authority

Best Practices

Retention/Anti-Poaching Cuyahoga County, OH

In 2010, the Cuyahoga County Director of Regional Economic Development began visits with all of the Cuyahoga County communities to sell them on the idea of regional cooperation. In order to reach a consensus, the county started with a relatively modest agreement to avoid any widespread discontent among the neighboring communities. The idea was that if small steps could be taken to get an agreement off the ground, it could open the door for more ambitious regional cooperation in the future. Cleveland came on board midway through the negotiations, which gave the agreement a big boost.

Since then, 54 of the county's 59 communities have signed the agreement that: 1) Facilitates interactions between the county and communities, 2) Establishes the county as the "One-Stop Shop" for site selectors, 3) prohibits members soliciting businesses from other areas, and 4) establishes procedures for businesses that initiate a move within the region.

Information sharing has exploded since the agreement was developed and the county has been able to build a \$100 million economic development Fund.

For more information. visit: www.cuahogac.us



Best Practices

Code of Ethics Metro Denver Economic Development Corporation

The Metro Denver Economic Development Corporation has an estimated 70 cities, counties and economic development organization members. MDEDC requires each of its members to sign a Code of Ethics agreement that outlines rules to prevent unhealthy competition between regional communities. There is a strong commitment to regional cooperation, and MDEDC members are strongly encouraged to "sell Metro Denver first and our individual communities and projects second." Selling against other localities within the metro area in order to attract prospects is explicitly discouraged and members are forbidden to solicit another member's prospects.

In the Code of Ethics, information sharing and transparency are paramount. If a company intends to move from one locality to another within the region, members are expected to contact the affected community and inform them of the potential move. Members that cannot meet the needs of a business prospect are encouraged to pass it along to a regional partner that can.

Response by prospective companies has been extremely positive. They cite having a single point of contact as a major advantage.

For more information visit: <http://www.metrodenver.org/>

Goal 1: Establish a Regional ED Authority

C) Establish an Independent Office

The new ACEDC will need independent office space in an environment that reflects professionalism, expertise and the power of the regional business community. The office should be located in an upscale area of Atlantic City or other business district in the Atlantic County that offers ease of access to parking and quality hotels. At some point in time, the regional Chamber of Commerce and the ACEDC may choose to office in the same building or area, but the delineation of the two organizations should be clear, and the business area in which they are located should be appropriate.

D) Determine Organizational Setup and Staffing

There are many different ways that successful economic development organizations structure staff expertise and areas of responsibility to achieve the goals within their unique regions. It is highly recommended that ACEDC conduct a national search to hire the most experienced and highly skilled staff member for each position. The challenges ahead for Atlantic County in creating economic diversity where very little exists, and in developing regional attitude and entrepreneurial breeding grounds will require expert economic development professionals with strong backgrounds. It is critical that the ACEDC hit the ground running with highly qualified staff. The new economic development corporation should:

- Achieve economic development accreditation for ACEDC
- Embark on a continuous staff development program
- Join key organizations such as the International Economic Development Council, the Industrial Asset Management Council, US Select, the Site Selector's Guild, and targeted AmChams around the world.

Initial ACEDC Staff Position
President
VP of Business Retention
VP of Business Attraction
VP of Entrepreneurship
Office Manager
Communications Manager
Director of Research
PR Firm on Retainer



Atlantic County stakeholders participate in a focus group to help develop a new **Economic Development Strategy and Action Plan**.

Goal 1: Establish a Regional ED Authority

E) Establish Initial Budget

Significant long-term financial support is critical to the success of any economic development effort. Generally, business retention and recruitment receive the most organizational resources, followed by entrepreneurship and small business development.

It is also important that the new ACEDC devote sufficient attention and resources to research activities, both in hiring a strong research director and providing for the acquisition of all necessary updated data. ACEDC can expect first year funding requirements of roughly \$1.4 million.

Initial ACEDC Operating Budget	
Expense	Amount
Salaries and Benefits	\$780,000
Website	\$35,000
Collateral Material	\$25,000
Research Data and Memberships	\$25,000
Marketing Budget	\$200,000
Office Space	\$150,000
Furniture and Computers	\$100,000
Publications Firm Retainer	\$90,000
First Year Budget (Up to):	\$1,405,000

As the ACEDC establishes its reputation in the region with both public and private leadership, additional financial resources should be added to boost the marketing budget to more than \$500,000.

Top Performing Economic Development Organizations

Organization	City Population	MSA Population	Budget	Per Capita	Public – Tax	Public – Appropriation	Investors	Other
Greater Austin Chamber of Commerce	885 K	1.9 M	\$4 M	\$4.5		x	x	
Charlotte Regional Partnership	793 K	2.3 M	\$3.6 M	\$4.5		x	x	
Greater Phoenix Economic Council	1.5 M	4.3 M	\$5.3 M	\$3.5		x	x	
Pflugerville Community Development Corporation	56 K	56k	\$2.2 M	\$39.3	x			x

Goal 1: Establish a Regional ED Authority

Best Practices

Funding Economic Development Efforts Texas 4A/4B Program

In 1989, the State of Texas Legislature passed to give Texas cities new financial power to create Economic Development Corporations through a voter-approved economic development sales tax. Cities are able to enact a ½-cent or 1-cent sales tax to fund programs as diverse as infrastructure projects to marketing campaigns.

One response was to create the Economic Development Sales Tax option for cities. By allowing citizens to vote on raising taxes in order to invest in economic projects, the state essentially put control back in the hands of local governments. The program has been widely adopted. As of 2005, voters in 537 cities have approved economic development sales taxes, raising nearly \$400 million for their economic development efforts.

For more information review: http://texasahead.org/tax_programs/typeab/

Best Practices

Funding Economic Development Efforts Select Greater Philadelphia

Select Greater Philadelphia is a supra-regional marketing organization representing 11 counties in 3 states using primarily private sector funds. The organization is well-funded and enjoys the support of every economic development agency in its area to support marketing and collaborate effectively.

The first phase of the program focused on fundraising, raising \$16 million to cover a four-year period to support the start-up nonprofit organization. Roughly 90% of funding was raised through the private sector. The second phase of the organization's founding has been focused on business attraction, targeted marketing and research.

The organization and its fundraising and attraction activities are supported by a strong, well-powered website that offers clear, coordinated information on the region, target industries and success stories.

For more information visit: <http://www.selectgreaterphiladelphia.com/>



Quick Facts about Greater Philadelphia

- **Population** — 6.4 million (5th among large U.S. metros)
- **Nearly 40 percent of the U.S. population** resides within a day's drive
- **Employment** — 3 million (5th among large U.S. metros), an abundant supply of skilled workers in virtually all occupations
- **Personal Income** — \$337 billion (5th among large U.S. metros)
- **Gross Regional Product** — \$405 billion, Greater Philadelphia ranks as one of the top three metropolitan areas in the Northeast

Lower cost of living
than the other major
northeast metros
including New York,
Boston, and
Washington D.C.

Goal 1: Establish a Regional ED Authority

Strategy 2: Develop Local Partnerships

Few municipal communities in today's competitive world have sufficient resources to succeed in global markets. The new ACEDC cannot carry the implementation of the strategic plan alone, nor can it effectively plan for the future without the full support of the countywide community. The ACEDC will need to engage and garner support for the Atlantic County Economic Development Strategy and Action Plan from state and county government officials, municipal leaders, local businesses, and other organizations active in economic development within Atlantic County, including ACIA Commissioners and economic development staff, municipal mayors, and economic development committees, and workforce development organizations. Convention and Visitors Bureaus and Chambers of Commerce should also be included as important members of the economic development team. Another important partner in economic development could be the Atlantic City Development Corporation, the private nonprofit real estate organization. Strategic partners need a seat at the table for planning sessions and the development of future goals and strategies for Atlantic County.

As a first step ACEDC should establish an "Implementation Committee", name a chair and co-chair for the following major thrusts called by the strategic plan: 1) Creation of the ACEDC, 2) Drive Economic Diversification, and 3) Marketing and Branding. The chair and co-chair of each committee along with key partners and stakeholders will make the Executive Board (15 members) responsible for the overall implementation of the strategic plan.

A&B) Identify and Engage Potential Economic Development Partners and Establish Key Ambassadors

Economic development partners should be identified and approached by ACEDC to assume areas of responsibility for the implementation of the strategic plan, and take control of organizing others and ensuring the completion of actions within the specified timeline. Partners will also act as ambassadors for the region in marketing and retention and expansion efforts.

C) Set Responsibility Areas for Strategic Plan Implementation

Designated economic development partners that assume roles of responsibility for plan implementation ensure that each strategy is developed and accomplished by those with expertise in the area. Partners will allow the accomplishment of a greater number of strategies and actions than ACEDC staff would be able to achieve alone. Implementation and progress meetings should be scheduled to help partners understand and provide input to the strategic plan and add revisions born of experience as to how actions within their scope of responsibility are carried out. Priorities and timeline must be understood and respected. Quarterly or semi-annual meetings will help everyone working on the plan stay informed as to how well the plan is being implemented and aware of any issues that could be delaying planned accomplishments.

Key Actions

- A) Identify and Engage Potential Economic Development Partners
- B) Establish Key Ambassadors
- C) Set Responsibility Areas for Strategic Plan Implementation
- D) Create Economic Development Partner Appreciation Events

Goal 1: Establish a Regional ED Authority

D) Create Economic Development Partner Appreciation Events

Celebrate and acknowledge the success of regionalization efforts and those who support the plan. An annual event can show partners that their efforts are being recognized and reinforce their investment. The event can also help to garner more support for regional economic development and press coverage can further establish the credibility of the ACEDC. Stories of successful projects and progress should be brought to public attention and celebrated.

Potential Atlantic County Economic Development Partners

- Atlantic Cape May Workforce Investment Board
- Atlantic Cape Community College
- Atlantic City Metropolitan Business and Citizens Association
- Atlantic County Economic Development Advisory Committee
- Atlantic County Institute of Technology
- Atlantic County Dept. Of Regional Planning and Development
- Atlantic County Mayors Association
- Atlantic County Public School Districts
- Atlantic County Utilities Authority
- AtlantiCare
- Casino Reinvestment Development Authority
- Greater Atlantic City Chamber
- Grow New Jersey
- Hammonton Chamber of Commerce
- Levenson Institute of Gaming, Hospitality and Tourism
- Municipal Economic Development Committees
- New Jersey Business Action Center
- New Jersey Community Capital
- New Jersey Dept. of Labor and Work Force Development
- New Jersey Economic Development Authority
- Pascal Sykes Foundation
- Rutgers University
- Rutgers New Jersey Agricultural Extension Service
- New Jersey Small Business Development Center
- South Jersey Economic Development District
- South Jersey Transportation Authority
- Municipal, State and Federal Elected Officials
- Stockton University
- Workforce New Jersey – Atlantic/Cape May

Best Practices

Celebrating Small Businesses and Economic Development Partners Sarasota County, FL

Now in its 25th year, The Frank G. Berlin, Sr. Small Business Awards recognizes member businesses and individuals with locally owned and operated companies and organizations in eight categories. Named in honor of the late Frank G. Berlin Sr., whose legacy in the community and untiring support of The Greater Sarasota Chamber of Commerce epitomized the hopes and dreams of contemporary business entrepreneurs.

Best of the year awards are given for different sized Small Business, Young Professional, Cultural Organization, Retail Business, Healthcare/Wellness Organization, International Organization, and Non-Profit Organization.

Awards could be extended in Atlantic County to Economic Development Partner of the Year in various categories. Additionally, new economic development partners and new entrepreneurial businesses could be recognized.

For more information visit: www.sarasotachamber.com

Goal 1: Establish a Regional ED Authority

Strategy 3: Improve Regional Communication and Planning

Strategic plans are not woven around buildings and cities; they are woven around people. People drive economic development. It is participation that makes good economic strategic plans successful. Participation requires skilled communication. We live in a communication era, yet silos of information still bring economic development activity to its knees in many regions. For generations, business activity in Atlantic County has been hampered by information and municipal silos that have prevented the aggregation of assets and the successful global marketing of the region.

The key to strong regional planning is the design of a plan that encompasses the vision of major stakeholders and succeeds in getting all businesses and organizations moving in the same direction toward common understood goals.

Key Actions

- A) Understand Partner Economic Development Goals and Objectives
- B) Create an Informal Atlantic County Regional Council of Planning Departments
- C) Launch a Regional Community Website

A) Understand Partner Economic Development Goals and Objectives

Quickly overcome silo culture by clarifying the goals of potential economic development partners, and show that those goals are woven into the regional strategic fabric. Identify allies that can collaborate in strategic areas and meet with them to engage them in the process.

B) Create an Informal Atlantic County Regional Council of Planning Departments

Create an Informal Regional Council of Planning Departments. In an effort to improve regional planning, ACEDC should help develop an effective informal Council of Planning Departments that includes representatives from all active municipal planning departments and committees. The Council will communicate regional planning activities, and coordinate the many economic development efforts now underway and planned for the near future. The group of active planning leaders can ensure high-level planning and streamline development processes. The Council should include:

- Representatives from all active municipal economic development planning departments
- ACEDC Staff
- County Economic Development Staff

Goal 1: Establish a Regional ED Authority

Best Practices

Denver Council of Governments Denver, CO

The Denver Regional Council of Governments is one of the oldest councils of governments. Representatives of the region's counties, cities and towns work together to improve the lives of its citizens. They are guided by the Metro Vision regional growth and development plan, which defines goals and actions needed to ensure the region remains a great place to live and work.

DRCOG is the planning organization where local governments collaborate to establish guidelines, set policy and allocate funding for growth and development. Through collaborative meetings and planning the various governments remain aware of all plans and activities in the area and ensure that each is working in the same direction for shared ultimate goals.

For more information, visit: <https://drcog.org>

C) Launch a Regional Community Website

Launch a regional community website that binds the Atlantic County residential community together with the businesses they frequent. The county currently has no television station to provide social information on a local level. The website should include a frequently updated calendar that lists events and activities occurring within the local area. It should also include a GIS system that sites locations for attractions, public spaces, event infrastructure and federal, state and local parks. Local businesses can sponsor the website. Stories should be posted about upcoming events, business successes, entrepreneurial startups, and short feature articles about notable residents. Links should be provided to municipalities, and event businesses. Connections to social media sites and the development of a free phone app are recommended.

Best Practices

Community Events Website

Do512, Austin, TX

From concerts and happy hours to film and special events, Do512 is the place to find out what's happening in the regional Austin area. More than 300,000 people use the site every month to find out the options.

The site features rankings of popular upcoming events and special categories, such as "What to do with the Kids," "Best Trivia Sites," and "Free Things to Do Today." It allows registered users to add events, subject to the review of a site manager. Registration is free and easy to accomplish. Personal calendars allow users to link activities to friend groups.

The site is connected to social media, including facebook and twitter. A phone app makes it easy to use while on the go.

The addition of local attractions, parks and venues and GIS location information would make this type of site a good way to keep residents and businesses throughout Atlantic County connected and up-to-date.

For more information, visit do512.com

Goal 1: Establish a Regional ED Authority

Strategy 4: Market the Region

One of the most important aspect of economic development is marketing. To tell the full story of the Atlantic County and overcome any negative perception generated by press on Atlantic City, a top ACEDC priority will be to vigorously market the region through the promotion of collective assets. The ACEDC should be the initial contact point, the “one-stop-shop” for all businesses and site selectors interested in expanding or relocating in the area.

Key Actions

- A) Hire a PR Firm to Create Regional Brand
- B) Develop Marketing Collateral
- C) Create an ACEDC Website
- D) Conduct Marketing Trips and FAM Tours
- E) Publish a Regional Newsletter and Annual Economic Development Report

A) Hire a PR Firm to Create Regional Brand

It is time for Atlantic County to own a bold, fresh image for the region as a whole based on its varied communities and collective assets. A professional PR firm can assist the ACEDC in developing a new regional brand that brings a new picture to the eyes of the world. Some of the first steps in branding Atlantic County should include:

- Establish clear, coordinated Atlantic County portals and entryways
- Set up an Atlantic County shop at or in the vicinity of the Philadelphia Airport filled with regional information, tourist packages and transportation options to Atlantic City.

Best Practices

Developing a Cohesive Regional Brand Kansas City

The Kansas City Area Development Council (KCADC) initiated a two-pronged campaign to promote the greater Kansas City region as a unified economy. City, county and business leaders chose to focus on a simple asset, the region's easy-to-remember two-letter initials, KC. Through an aggressive marketing campaign that included 150 presentations to local groups and the use of 20 billboards, KCADC promoted the KC initials as a common identifier for the region and a way to position Kansas City as a preeminent urban area, amongst only three other U.S. cities known nationally by their initials: New York, Los Angeles, and Washington, D.C.

ThinkKC is the KCADC's national marketing and branding campaign, promoting the region as a top U.S. city for attraction of new companies, jobs, and residents. It is a good example of a campaign that successfully promotes regional cohesiveness and publicizes the economic, social, and cultural interdependence of the many jurisdictions that make up the Kansas City region.

KCADC has a Branding Toolbox on its website that provides official campaign logos in a downloadable graphic format, with many variations, including logos for each of the region's 18 counties and 45 municipalities. This makes it easy for each individual community to simultaneously promote itself and the greater Kansas City region.

For more information visit:

www.thinkkc.com

Goal 1: Establish a Regional ED Authority

Best Practices

Marketing and Branding

Visit California's "24 Hours, 24 Dreams" Campaign

In early 2013, Visit California began developing its digital marketing strategy through Google's BrandLab workshop and by 2014 launched the Dream365 Project with a "24 Hours, 24 Dreams" campaign. In a 24-hour takeover of the YouTube masthead, a video of a California "dream" was released every hour, ranging from a 17-year old's ultimate California road trip to Bob Burnquist's skate ramp floating on Lake Tahoe. Non-traditional video styles such as time-lapse and animation were also used.

Visit California's content was made possible through engagement with the members of the creative community, including advertising agency MeringCarson, YouTube creator SoulPancake, crowdsourcing company PopTent and existing YouTube content that showcased the California spirit. Videos utilized Google's TrueView and LightBox ads to further drive engagement.

136.6 million impressions were made in 1 day, California travel search volume on Google increased by 21%, and website visitation increased 306% in the U.S. and 920% in the U.K.

For more information visit: <http://www.visitcalifornia.com/>

B) Develop Marketing Collateral

Strong marketing material is essential to garnering greater interest from potential companies and site selectors. It starts with a strong, clear, fast-loading website, which should be created with information on the region and separate sections for target industries. The website should also celebrate success stories and provide regional statistical data. With that in place, develop a toolbox that incorporates the new Atlantic County brand. Materials should include brochures, website content, and digital materials for email.

Best Practices

Economic Development Branding Campaign

Port Arthur Economic Development Corporation – Port Arthur, Texas

The project is a paid advertising campaign with focus on site selector magazines and billboards in the Houston market area. The advertising campaign was created to help PAEDC attract both regional and global decision makers, especially those in the logistics industry.

The goal is to raise awareness of what Port Arthur has to offer and why companies should relocate there. In 2013, the PAEDC board of directors added a marketing manager position to its staff to accomplish the task, knowing that small businesses were an economic engine important to the region. The organization credits the campaign with helping to create jobs and opportunities necessary to the community's goals in growth.

Supplementing the campaign, advertisement Build It, Ship It, Rail It in Port Arthur was focused on local business attraction using social media outlets, including Facebook LinkedIn and Instagram.

For more information, visit: <http://portarthuredc.org/>

Goal 1: Establish a Regional ED Authority

Best Practices

Marketing Collateral Kansas Department of Commerce

The Kansas Department of Commerce is known for its aggressive, successful marketing initiatives and collateral. Most recently, the state released its promotional booklet to further convey the state's pro-business strategy via a portable 9x5 booklet.

The booklet is unique because, although compact, it carries a wealth of information in an easily readable, portable, and concise format. The collateral also does an excellent job of keeping its target audience in mind, while also conveying a community personality through quotes from local business leaders.

When the reader opens the cover, he is immediately presented with the most valuable information:

- target industries
- reasons to relocate to the state
- personal contact information

Four tabs provide highlights on the state's target industries, with each target tab providing information on why that industry has become successful, what companies in that industry are located in Kansas, followed by a link to more information.

Lastly, a fold-out map in the back illustrates highway infrastructure and transportation information.

For more information, visit: <http://www.kansascommerce.com/>

Best Practices

Site Selector Marketing Lubbock, TX

Lubbock Economic Development Alliance's LEDA Site Selector marketing piece provides a one-stop shop for site selectors, highlighting the benefits of relocating a business to Lubbock and how to do so.

The piece includes information on population, workforce resources, cost of doing business, housing costs, transportation infrastructure, and real estate options. A tablet version of the piece allows LEDA Business Recruitment Team's take their product offerings to clients.

For more information, visit: <http://www.lubbockeda.org/>

Best Practices

5000 Billboards Marketing Project Lincoln Partnership for Economic Development, Nebraska

The Inc. 5000 Billboards project was a promotion by the public/private LPED to recognize local businesses named in the 2013 Inc. 5000, a list of the fastest growing private companies in America. The effort was one of the most successful retention campaigns celebrating local businesses. Billboards were created featuring the organization executives with a congratulatory message from the Partnership, thanking them for making Lincoln home. The billboards were placed along major thoroughfares and as close as practicable to the company locations. The marketing initiative helped turn the limelight on Lincoln as a great place for commerce – whether for new companies, relocating industries or existing local businesses.

Goal 1: Establish a Regional ED Authority

C) Create an ACEDC Website

Launch an ACEDC regional economic development website. Use it to tell the story of business and opportunity in the region. Include continually updated local economic information. Also include a section on target industries and dashboards for each sector. Provide a link to the newsletter. Include success stories, introduce new companies, and provide information on entrepreneurial support.

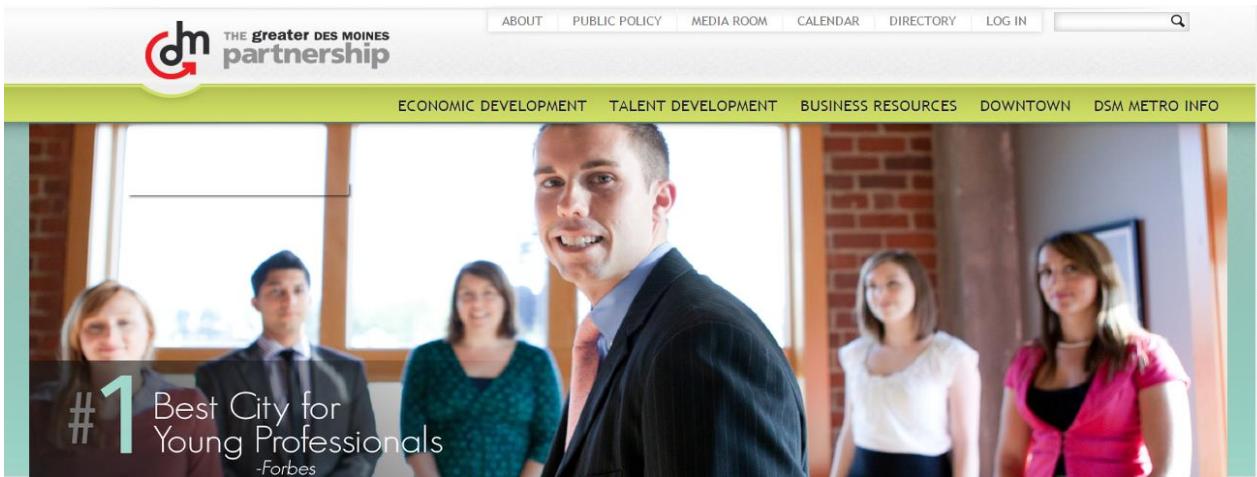
Best Practices

The Greater Des Moines Partnership Website Des Moines, Iowa

The Greater Des Moines Partnership is the economic and community development organization serving Central Iowa. Together with 21 affiliate Chambers of Commerce and 5,300 business members that employ a workforce of more than 150,000, the Partnership works to grow opportunity, create jobs, and promote the best place to build a business, a career, and a future.

To further regional prosperity and global connectivity, the Partnership focuses on economic and community development. Founded in 1888, the organization successfully works collaboratively with regional economic development partners to recruit and assist new and expanding businesses, and to ensure there is a talented and educated workforce that delivers valued skills. In 2014, the organization raised \$460 million in new capital investments, helped 23 local businesses expand and 10 new company locations. It runs a very effective, state-of-the-art website with page clicks for business climate, target industries, building sites, talent development and every aspect of economic development.

For more information, visit: <https://www.desmoinesmetro.com/>



Goal 1: Establish a Regional ED Authority

D) Conduct Marketing Trips and Familiarization Tours

Organize three annual marketing trips to selected cities with high target industry concentrations. Assemble a “SWAT” team of expert ambassadors for each industry to accompany ACEDC on those visits, including private industry leaders, government officials and educational leaders. Set up one to two Familiarization Tours within the county each year to showcase advantages to potential businesses and families. Invite site selectors, target industries and media representatives.

Best Practices

Epic Iowa Bus Tour Iowa Tourism Office

In 2014, Iowa Tourism Department launched the Epic Iowa Road Trip, a whirlwind bus tour to show off the state, picking out hot spots for people to visit.

Staff on the motor coach used social media channels to talk about the places they visited, with live photos and activities.

The Iowa Tourism Office’s goal is to show people in the region what there is to do, at home in Iowa. Many communities depend on visitors and the money they spend.

“Tourism is big businesses for Cedar Rapids. It employs over 6,000 people, and it generates about \$400 million annually of people coming and spending money and time in our community,” said Cedar Rapids Area Convention and Visitors Bureau CEO Marilee Fowler.

While the Iowa bus stuck to a route in the state, a similar promotional road trip by Atlantic County could extend to surrounding states, reminding people of the destination factor of the county with a theme to “Vacation at Home in Atlantic County.”

Best Practices

Familiarization Tours Des Moines, IA

FAM tours are intended to familiarize investors, the press and travel trade professionals with the attractions of a particular area, and last year Des Moines gave a unique twist to this traditional idea by hosting a weeklong bicycle tour across Iowa. RAGBRAI, as the tour is known, exposed participants to Iowa hospitality, local cuisine and much else that makes the state unique. Careful event planning, covering everything from bike maintenance and luggage shipping to communication of attractions along the route, ensured a smooth ride. The FAM tour is tied into a larger outreach to site selectors.

For more information, visit: <http://ragbrai.com/>

Best Practices

Business Park Shell Building Virtual Tour Kilgore EDC - Kilgore, Texas

The project involved the development of a virtual tour of available space in a shell spec building at Kilgore’s Synergy Business Park, including aerial video and stunning animation showing ceiling heights, parking spaces and adjacent infrastructure.

The highly successful promotional tool could be adaptable to marketing the developing Stockton University Aeronautics Research and Technology Park and planned incubator next to the Federal Aviation Administration.

Goal 1: Establish a Regional ED Authority

E) Publish a Regional Newsletter and Economic Development Report

To get the word out about Atlantic County, facilitate transparency and establish the ACEDC, publish a quarterly site selector's newsletter with updated economic data, details on works in progress, announce new businesses and highlight success stories. Publish an annual report for key stakeholders and investors that captures economic diversification progress, testimonials of new businesses and performance indicators.

Best Practices

E-Newsletter Henderson, Nevada

Henderson's Economic Development/Redevelopment Division leads economic development programing intended to create a healthy economy through attraction, retention and expansion of businesses and through revitalization. The e-newsletter is a low-cost communication tool in support economic development strategies and programs. Each issue provides timely information on:

- Business recruitment, attraction and retention
- Highlights economic development success stories
- Outreach in support of community economic development initiatives.

For more information, visit:

Best Practices

Annual Economic Development Report City of Hamilton, Ohio

Hamilton's 2013 Annual Economic Development Report is an 18-page document illustrating economic development achievements made throughout the year. Years of continuous budget cuts in the city had the unfortunate effect of largely ending the important task of measuring its effectiveness and reporting these outcomes publicly. Under new leadership, the ED Department was reinstated and emphasis shifted to economic development based on outcome-oriented strategies. The annual reports highlight measurable outcomes of strategic initiatives. It offers transparency and evaluate strategies.

The report also publicizes economic growth and progress. As a Rust Belt city known for decline, the job growth, new capital investments and decreasing unemployment rate are crucial to communicate to stakeholders that Hamilton's economy is alive and momentum is building.



Goal 2: Drive Industry Diversification

The lack of economic diversity in Atlantic County has exacted a heavy toll on the region in recent years. There was no buffer to protect the region from the collapse of casino hotels in Atlantic City that culminated in 2014. The next largest industry activities in Healthcare and Public Administration are tied to population fluctuations, and the population of Atlantic is not growing.

Atlantic City, once the front runners in cutting edge casino advancement, appears to now be at the forefront of a decline and restructuring of the industry necessitated by increasing competition from all sides. The Atlantic City casino industry will never again reach the heights enjoyed in the past. Even if revenues from the industry were to return to stronger levels, Atlantic County will never attain its full economic potential and better quality of life without diversifying its industry base.

Aggressive marketing and creative thinking will be required to attract vibrant new industries to the region that will thrive on the assets in place there.

Goal 2: Drive Industry Diversification

Strategy 1	Attract New Industries
Strategy 2	Embrace a Robust Retention and Expansion Program
Strategy 3	Foster a Strong Entrepreneurial Ecosystem



Goal 2: Drive Industry Diversification

Strategy 1: Attract New Industries

Atlantic County has significant assets with which to attract target industries. Strong leadership from public and private sectors will be essential in designing and leading effective marketing campaigns. The ACEDC must be sufficiently funded to market these industries aggressively and competitively. The organization's success will be measurement for future prosperity of the region. Without that success, and the healthy industry diversification it will bring, the county will continue to struggle with the same issues that currently impede its progress.

Key Actions

A) Create a Regional Target Industry Task Force

B) Join Economic Development and Industry Organizations

✓ Game Changer:

Become a Global Center for Research on Climate Change.

Leverage a growing international focus on coastal sensitivity and sea-level rise in the Mid-Atlantic Region along with Atlantic County's geographic location and available infrastructure in Atlantic City to establish a name for the region as an important center of research.

✓ Game Changer:

Build a World Trade Center or Permanent Trade Show

Build a WTC in Bader Field, or repurpose the Old Convention Center as a Trade Market Center. One of the highest possible uses for the prime Bader Field property would be to use it to establish an international center for Atlantic County. With water access and proximity to downtown and major Atlantic City activity areas, it is a perfect site for a WTC. Check into the option of working with the WTC of Philadelphia.

The historic beauty of the old convention center and its superlative location steps from the Atlantic Ocean make it deserving of world-class purpose. Ease of European flights and the region's existent Asian immigrant population give the region an extra shot of energy in establishing this type of global presence.

Goal 2: Drive Industry Diversification

Best Practices

Dallas Market Center Dallas, TX

The Dallas Market Center is the world's most complete wholesale marketplace, offering permanent showrooms and temporary exhibit space for buyers, wholesalers, manufacturers and designers from around the world in the home decor, gifts and apparel industries. Considering the international base of their clientele, Dallas Market Center has an International Development Office and in-house travel agency, and offers complimentary concierge and shuttle services, international phone calls, Wi-Fi, break rooms and breakfast.

The Dallas Market Center also produces several custom retail industry publications and organizes a retail buying groups. 84% of buyers that visit Dallas Market Center shop only in Dallas and in 2012, Dallas Market Center generated \$406 million for the local economy.

For more information, visit: <http://dallasmarketcenter.com/public>

Best Practices

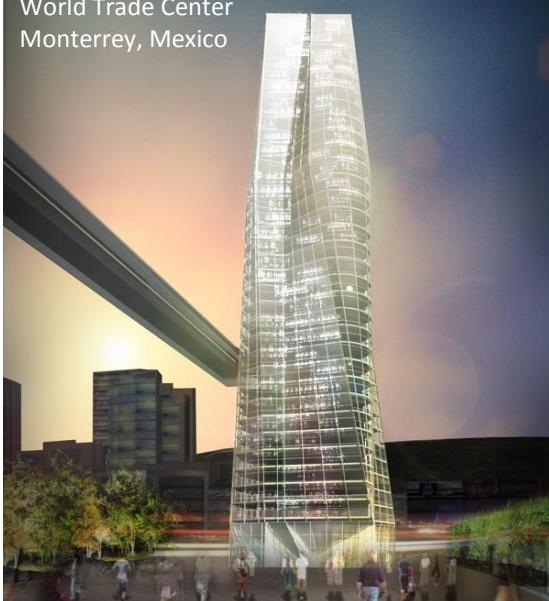
Monterrey World Trade Center Monterrey, Mexico

Established in 2005 as a non-profit organization, the WTC Monterrey is recognized as an International Trade Hub in the state of Nuevo León. It is located on a university campus, in a beautiful building with all accommodations needed to hold business meetings, counseling and training seminars. The center showcases local industries - Technology, Financial and Professional Services, Automotive, Capital Projects and Infrastructure, Engineering, R&D: Architecture and Construction and Industrial Manufacturing. Facilities include an auditorium, seminar and meeting rooms and temporary office space.

Trade information and market research, trade counseling, referrals and business management services are offered.

For more information, visit: <https://www.wtca.org/world-trade-center-monterrey>

World Trade Center
Monterrey, Mexico



Dallas Market Center and WTC



Goal 2: Drive Industry Diversification

Strategy 1: Attract New Industries

Atlantic County has significant assets with which to attract target industries. Strong leadership from public and private sectors will be essential in designing and leading effective marketing campaigns. The ACEDC must be sufficiently funded to market these industries aggressively and competitively. The organization's success will be measurement for future prosperity of the region. Without that success, and the healthy industry diversification it will bring, Atlantic County will struggle with the same issues that currently impede its progress.

A) Create a Regional Target Industry Task Force

Establish an ACEDC led Atlantic County Industry Task Force that focuses on the targets identified in the strategic plan. Include experts in the fields and effective business leaders.

B) Join Economic Development and Industry Organizations

Keep up with changes in target industries and advances in economic development by joining industry and economic development organizations and attending conferences. Participation in the right circles will also promote Atlantic County as location destination and the ACEDC as a viable, professional force in modern business communities.

See pages 96 – 98 for a listing of target industry organizations and conferences.



The screenshot shows the homepage of the Bio-IT World Conference & Expo '16 website. The header features the text 'Fifteenth Annual Bio-IT World CONFERENCE & EXPO '16' and 'Enabling Technology. Leveraging Data. Transforming Medicine.' Below the header is a navigation bar with links for Agenda, Sponsor/Exhibitor, Downloads, Hotel & Travel, CD/DVD, Posters, Press, Awards, and Register. A large image of a crowded conference floor is displayed. On the left, a dark blue box highlights 'Sponsorship & Exhibit Opportunities' and '3,000 attendees from 32 countries participated in the 2015 event'. On the right, a box for '2015 HIGHLIGHTS' is shown. At the bottom, a section for '2015 RECAP' includes a link to 'Stories and Highlights from Bio-IT World Conference & Expo 2015'. Social media icons for LinkedIn, Facebook, Google+, YouTube, and Twitter are in the top right, along with the hashtag #BioIT16.

Goal 2: Drive Industry Diversification

Best Practices

Sports Performance Promotion

Bradenton Area Economic Development Corporation - Bradenton, Florida

Through strategic planning, the Bradenton Area Economic Development Corporation identified a targeted industry sector – Sports Performance. The BAEDC was the first organization in Florida to identify this tourism niche.

The organization created a marketing video that effectively communicated and validated the Bradenton Area's sports story. Originally launched in 2011 and updated in 2013, the video helped to attract world-class sporting events to the region, and contributed to an increase in sports tourism. The project also provided collaboration among key stakeholders in the sports industry, as well as being a regional tool demonstrating the collaboration in fostering growth of a key economic driver that had currently been under the radar.

BAEDC is recognized by Enterprise Florida as the lead economic development organization for the Bradenton Area's nine communities located on the south side of Tampa Bay. The organization works to diversify the local economy by attracting and retaining high-wage jobs for area residents and connecting existing businesses to the resources they need to succeed. BAEDC is led by a highly experienced and dynamic staff and diverse volunteer leadership from private businesses and public sector partners.

Goal 2: Drive Industry Diversification

Strategy 2: Embrace a Robust Retention and Expansion Program

A) Visit Top Employers and Significant New Entrepreneurial Businesses

The region's existing businesses and organizations are no less important than the new industries it hopes to attract. After all, Atlantic County is only as good as the companies it keeps. Support those businesses. Develop an Atlantic County Retention and Expansion program led by ACEDC that sets up annual visits to major employers and leading entrepreneurial ventures. The Greater Atlantic City Chamber of Commerce and its partner organizations in other municipalities can strengthen the game by conducting annual visits to smaller companies. Create an R&E team or task force that pulls in the talents of local educational institutions and business leaders to assist with the program. The R&E task force should be involved in strategic planning and the development of the strategic plan in future years.

When visiting businesses, find out how their location in Atlantic County is working well for them and giving them a competitive edge. Find out what issues they are experiencing. Determine their plans for the coming five and 10 years, including foreseen expansions and reductions. Find out what skill sets and positions they have trouble recruiting and how they see those changing in the future. Determine how the ACEDC and its economic development partners can help ensure their expansion and growth.

B) Conduct Regular Business Surveys

Back those annual company visits up with annual surveys generally timed at six-month post-visit intervals using software programs such as Synchronist. Collect and organize the data for analysis and planning purposes. Using the data, set up follow-up visits with companies as appropriate. Publish appropriate findings and success stories.

C) Sponsor Small Business Awards Events

The ACEDC can work with business leaders, and entrepreneurial and business leaders to organize regular small business events. Awards can be given for any area that highlights Atlantic County success, such as for Most Community Oriented, Small Business of the Year and Fastest Growing Business.

Key Actions

A) Visit Top Employers and Significant New Entrepreneurial Businesses

B) Conduct Regular Business Surveys

C) Sponsor Small Business Awards Events

Goal 2: Drive Industry Diversification

Best Practices

Business Surveys Chattanooga, TN

Between March and July 2012, the Chattanooga Area Chamber of Commerce surveyed over 100 local businesses about various local economic conditions. The results were then compiled into an IEDC award winning “Executive Summary of the Local Economy” which provided a snap shot of the areas strengths and weaknesses from the perspective of the businesses who operated there. This tool was then used to further carry out the Chamber’s mission of economic development and marketing for the region.

For more information, visit: <http://www.chattanoogachamber.com/>

Best Practices

Business First Annual Report Greater Richmond Partnership, Inc. Richmond, VA

Business First Greater Richmond is the business retention and expansion program of The Greater Richmond Partnership, the economic development organization representing the City of Richmond and the Counties of Chesterfield, Hanover and Henrico, Va.

The Business First Greater Richmond annual report is the result of 571 interviews between program volunteers and local company decision makers. The information gathered from these interviews helps us determine the needs of the company and understand the region’s business climate. The Business First program relies on the local economic development agencies to organize and rally teams of volunteers.

The annual report’s gatefold interior pages reveal the past fiscal year’s results, making it a selling point for participating businesses and volunteers alike.

The brochure also reports details regarding the program’s results, successes and awards it has received.

Best Practices

Business Retention & Expansion Tools

Synchronist Prime

Synchronist PRIME bundles advanced business retention strategies, tested interview design, assistance tracking/service delivery management, competitive intelligence, intranet/extranet and database technology (software), BR|E resource library, and a community of committed users all working together to maximize the value of their BR|E investment.

Synchronist PRIME was designed for use with primary sector that import capital into the community from outside the region while providing employment. These international, national, and regional primary sector businesses are the basic economic building blocks of manufacturing, finance, and service of many communities in the U.S. and Canada. Secondary (retail and service businesses) sector businesses are fundamentally different. Secondary businesses essentially trade dollars already in the community or within a small regional trade area. These businesses generally represent a second level building block for a local economy. For information, visit: http://www.blanecanada.com/product_synchronist_prime.htm

Goal 2: Drive Industry Diversification

Strategy 3: Foster a Strong Entrepreneurial Ecosystem

One of the most important ways of maintaining a diverse industry base and adapting to the changing forces in international markets is to create a culture of innovation and spur strong entrepreneurial activity.

There are two types of research that grow innovative cultures. The first is high-risk federal government and public university research that seldom translates into commercialization. The second is research and development conducted by the private sector and driven by shareholder demand for profit. Crucial government research produces many ideas that are eventually capitalized upon by private R&D and generated into commercial products.

Atlantic County has a valuable asset in the Federal Aviation Administration's William J. Hughes Technical Center. What is missing is strategic communication with the center and a partnership focused on the translation of research conducted there into opportunity for commercialization and the creation of innovative new entrepreneurial companies. While government agencies aren't known for the ease with which they share information, bringing research-related products to commercialization could benefit FAA activities, and a careful long-term relationship would be of great benefit to both the economic development of the county and the progress of the FAA and the Stockton Aviation Research Technology Park.

Key Actions

A) Foster Innovation and Creativity

B) Create Incubators and Accelerators

C) Develop Makers Space

D) Increase Funding Sources

✓Game Changer: *The FAA William J. Hughes Technical Center has been designated as the lead UAV testing site of the six sites selected in the U.S. This provides Atlantic County with an advantage that few other areas in the U.S. have, a foot in the door into a burgeoning industry. Economic development partners in Atlantic County must take ownership of this achievement and build clustering around it before it loses the natural opportunity. A key component to this would be organizing UAV trade shows and competitions. The hobbyist and DIY nature of the industry has resulted in user modifications to code and hardware. Specialty manufacturing opportunities also exist.*

✓ Game Changer: Build the first phase of the planned 400,000 square foot research and office Stockton Aviation Research and Technology Park on spec, with a small incubator and shared office services. Establish and aggressively promote an interactive website for the park.

Goal 2: Drive Industry Diversification



A) Foster Innovation and Creativity

Develop an Entrepreneur/Innovation Event. Seek out partnerships with businesses and organizations to create a regular event that celebrates innovation and showcases successful local entrepreneurial activities.

- Identify Potential Businesses for Entrepreneurial Support
- Establish an Event Committee
- Identify and Visit Local Entrepreneur Successes
- Create an Application Process for Entrepreneur Awards

Initially, focus entrepreneurial support and guidance on companies that leverage major community assets:

- Independent Aeronautics Research and Technology Companies – These companies leverage the emerging Stockton park and help foster the incubator designed for location there.
- Food Startups – These new companies leverage the legendary casino chefs in Atlantic City with the strong culinary programs offered by Stockton and the Atlantic Cape May Community College. These creative new food trailers and brick and mortar restaurants will also help attract foodie tourists, re-brand the area and provide an opportunity to launch a major annual food festival not necessarily tied to summer months.

Work with public schools to foster STEM education. Establish internships for high school and college/university students in STEM areas. Work with local companies to sponsor robotics activities and competition participation, starting with high schools and working back to middle and elementary levels.

✓ Game Changer: Establish Atlantic County as the next hotbed for innovative food startups. Use the power of famous chefs associated with casinos to launch an annual food festival and start-up contest. Agriculture production and food-related production houses also provide specialty manufacturing opportunities.

Goal 2: Drive Industry Diversification

Best Practices

National Entrepreneur Center Orlando, Florida

The National Entrepreneur Center (NEC) was founded in 2003 as a way to bridge the gap between entrepreneurs and the organizations that provide services to entrepreneurs. While the NEC does not offer services to entrepreneurs or small businesses, it facilitate the organizations that do. Currently housed within the NEC are 12 member organizations, referred to as resource partners, that have a primary function of providing assistance to start ups, small business, and/or entrepreneurs.

Additionally, the NEC serves as a hub of coordination for the City of Orlando.. Prospective investors and delegations are now hosted by the NEC and only referred to public sector officials if appropriate. This has freed the mayor's office of unnecessary distractions, which allows the office to focus on the prospects that hold the highest potential.

The collaborative model of the NEC has contributed significantly to the Central Florida economy as well as the broader state economy. Since the NEC's inception, it has created \$188 million in economic output throughout Florida. Furthermore, for every dollar invested into the NEC, \$14.00 is created in economic output in the Central Florida region. As of January 2015, the NEC is connected to more than 250,000 individuals, or 10.9% of Central Florida's population, who are engaged in entrepreneurship in some way.

To learn more about the NEC, visit: <http://www.nationalec.org/>

Best Practices

Start-Up NY

This statewide collaboration between public and private universities and state and local governments is one of the most forward-looking and heavily marketed incentive programs for entrepreneurs in the nation. The program aims to increase innovation and entrepreneurship by offering a 10-year 100% state and local tax exemption for qualifying small businesses and start-ups operating on or near university campuses. Additionally, the proximity to universities is designed to inspire collaboration between these small businesses and academic institutions.

For more information, visit: <http://startup.ny.gov/>

Best Practices

Entrepreneurial Ecosystem Development Program

Economic Development Authority of Western Nevada – Reno, Nevada

The Economic Development Authority of Western Nevada is a private/public partnership established in 1983 to recruit, expand and support newly forming quality companies that bring jobs to the region. EDAWN built an entrepreneurial development program tasked with building an ecosystem from the ground up, creating new jobs and fostering technology startups with a focus on forging a new direction for Reno.

Reno has been known as a gambling town, but in 2008, the housing market crashed and gaming revenues fell drastically. Reno found itself tethered to a decaying downtown and a dominant industry in steep decline. During this period of economic turmoil, Reno built immense opportunity by recognizing that the region lacked the entrepreneurial sophistication of established start-up hubs. It also recognized that the city faced an identity crises as it faced the decline of casino gaming. A new Entrepreneurial Development program was designed to focus on job creation through entrepreneurial encouragement and support.

Goal 2: Drive Industry Diversification

B) Create Incubators and Accelerators

Atlantic County is behind the game in establishing and fostering an entrepreneurial culture. Consider speeding up the process by bringing in an outside partner, an incubator or accelerator group with a proven model that can step into place to quickly create the necessary environment and begin growing new businesses. Look into building space at the new business park linked to the FAA research center.

1) Attract EDA Funds for a Specialized Incubator: The federal Economic Development Authority offers grants and other funding for incubator projects that support small business development. Those funds can be leveraged to attract university interest in collaborating in the development of incubators and accelerators.

- Contact Universities about Specialized Incubators
- Research EDA Grants and Funding Opportunities
- Solicit Grants and Funding

2) Foster start-up companies that tie into target industries. Support entrepreneurs with credible ideas for UAV-related companies, health apps for phones, predictive medical models and software.

✓ **Game Changer:** Bring in an established incubator/accelerator model to jump start entrepreneurship.

✓ **Game Changer:** Create a Gaming accelerator to establish the region as an innovator in all things game related.

Best Practices

Creating a Regional Entrepreneur Organization North Carolina

The Blackstone Entrepreneurs Network was created in 2011 with the purpose of developing entrepreneurship and furthering economic development in the Triangle region of North Carolina. The Network's Entrepreneurs in Residence program partners veteran entrepreneurs with promising regional startups. These partnerships provide expertise, networking, funding sources, and marketing.

Additionally, the network partners extensively with local academic institutions and communities as well as providing conferences and panels.

For more information, visit: <http://www.blackstoneentrepreneurnetwork.org/>

Best Practices

The Food Loft Boston, Massachusetts

Cookbook publishing company The Harvard Common Press has created coworking space on Harvard Square in Boston, dedicating space to food and food tech companies with innovative food ideas. The space currently serves 11 companies, including Badepedia, Nosh On It, Chef'd Up, which connects consumers with Boston's most recognized chefs, and Cabbige, a technology company dedicated to strengthening local, sustainable food systems.

For more information, visit: <http://www.thefoodloft.com/>

Goal 2: Drive Industry Diversification



Best Practices

Here East Innovation Center

Repurposed Olympic Center, London, England

Utilizing the former Olympic Press and Broadcasting Centre in Queen Elizabeth Olympic Park, Here East is a planned innovation and maker complex with over 1.2 million sq. ft. of commercial space that is working to break the trend of underutilized Olympic infrastructure. The joint venture is a partnership between Delancey, a real estate specialist, and Infinity SDC, UK's largest data center operator. The planned complex will be built off of the three current warehouses in the Olympic Park: the broadcast center, the press center, and an auditorium with open public space between the buildings.

The Broadcast Centre, the largest building of the three, serves as the base for the planned Here East project. The 647,410 sq. ft. space will house Infinity SDC's data center which is expected to be the largest and most efficient data center in Europe. The 198,000 sq. ft. Press Centre is now a 5 story space for large tech businesses as well as an innovation center. The Innovation Centre will offer coworking and incubation spaces for startups, along with mentoring.

The former auditorium has been redesigned as The Theatre, a top of the line conference facility perfect for product launches, screenings, and presentations. The architectural design hammers home the idea of innovation through a future centric theme coupled with high ceilings. The facility has space to seat 950 individuals.

Public space is a key part of the Here East project. The Yard functions as a court yard space, designed for public interaction and open event space.. The space is architecturally landscaped and features dynamic artwork for the viewing public. Retail and dining spaces line the sides of the courtyard, providing visitors and occupants an opportunity to shop and eat. The Canalside, a garden area built off of the Lee Canal, offers bars, restaurants, and maker-retailer spaces.

Although not fully built out, Here East is still a best practice. 40% of the 1.2 million sq. ft. space has already been preleased, showing a strong interest in the complex from the tech community. According to Forbes magazine, the space is expected to generate £450m to the British GDP and £340m within the local community. 5,300 on site jobs are expected to be created due to the project, with another 2,200 in the local area and 9,100 positions across the UK. Yet, the success story of Here East is not its ability to attract renters. It is its ability to create a vibrant technology center, built off of 2012 Olympic infrastructure, which partners academia, startup, and large tech players all under an umbrella of innovation.

For more information, visit: hereeast.com

Best Practices

International Accelerator Austin, TX

The International Accelerator grows small international businesses and start-ups by providing them access to a variety of services and industry experts. In addition to providing space and infrastructure, the Accelerator also provides access to leadership, counseling, banking, accounting, and other professional services. Moreover, the Accelerator provides entrepreneurs with access to over 100 proven entrepreneurs and business leaders. The result is the rapid development and revenue growth of portfolio companies.

For more information, visit: <http://internationalaccelerator.com/>

Goal 2: Drive Industry Diversification

Best Practices

Entrepreneurial Start Garden Grand Rapids, MI

Start Garden is a \$15 million early-stage venture capital fund based in Grand Rapids, MI. The program aims to launch more than 100 new business ideas each year with the goal of building a larger regional startup ecosystem that can grow the area's appetite for entrepreneurship.

The program's approach allows entrepreneurs to submit their ideas on StartGarden.com. Each week, the Start Garden team selects one idea, which is awarded \$5,000 in seed capital that must be used to prove and compete for additional funding. Simultaneously, the public votes on their favorite website submitted idea with the highest scorer also receiving \$5,000.

Both companies are then invited to participate in the program's monthly "Update Night" where entrepreneurs present to the Start Garden panel in order to receive additional funding.

For more information: <http://startgarden.com/>

C) Develop Makers Space

Shared coworking spaces are growing worldwide and stimulate ideas that in turn stimulate businesses and the economy. Atlantic County has many areas with space available in different atmospheres conducive to creativity that could serve as attractive locations for innovate coworking environments in Atlantic City and other municipalities with emerging entrepreneurs.

- Identify public/private funding sources for backing
- Consider waiving county-level sales tax on utilities for the portion of coworking space in an existing or new structure.
- Attract national coworking space company

Similar in scope to coworking spaces, maker spaces provide access to workshop space as well as cutting edge manufacturing tools such as 3D printers and laser cutters to their members. The growing prevalence of such spaces is changing the business model for entrepreneurialism in manufacturing. Individuals with an idea no longer need \$100,000 in capital to produce a prototype. By sharing the cost of equipment and space through membership dues, the barrier to entry can be reduced to the range of roughly \$2,000 to \$4,000 for entrepreneurs looking to produce a prototype.

Community interactions among members of a maker space has also played a major role in the success of this new shift in manufacturing. Spaces bring together diverse groups of people. Companies within the space can hire a fellow member engineer or programmer with which they are familiar for certain components of a project. This further reduces the need to raise capital to employ a large, permanent staff. Interactions between members also foster creative ideas. Government entities, Fortune 500 companies and universities are all now making investments in maker spaces. Funding for the space is now occurring in Pennsylvania, Ohio and Massachusetts on local and state levels.

There are many indications of opportunities for maker space to spur new business growth in the short term, and many Atlantic County assets to leverage those spaces. Maker space for new beer breweries would leverage water quality and current Irish festival tourism and allow new smaller specialty manufacturing breweries to enter the market. Shared maker space for food startups would leverage the area's famous chefs and local culinary curriculum. And, of course, aeronautics maker space would support the activities of a new aeronautics research and technology incubator.

Goal 2: Drive Industry Diversification

Best Practices

The Generator Maker Space Burlington, VT

The city of Burlington opened a free-to-use city managed space called Generator, supported by three local colleges. The city hopes the space will allow it and the state of Vermont to gain a competitive edge in engineering and manufacturing to generate job growth over the next 10 years.

For more information, visit: <https://generatorvt.com/>

Best Practices

Tech Shop U.S.

The U.S. Federal government has begun a partnership with TechShop, a prominent player in the maker space industry, to offer veterans free membership through GE's Get Skills to Work coalition. Currently the program is training 1,200 veterans with plans to make an additional 1,500 spots available. Training includes professional instruction, hands-on training, and access to workspace machines, and tools.

For more information, visit: <http://www.techshop.ws/>

Best Practices

WeWork U.S.

Founded in 2010, the New York based coworking company was the fastest growing lessee of new office space in New York in 2014. The company has expanded out of New York to 6 additional cities in the U.S. and 3 cities abroad with 30 locations in total. WeWork plans to open an additional 60 locations by the end of the year. The company attributes its rapid growth to its ability to foster a community amongst members of its coworking space. WeWork spaces hold happy hour events for their members, provide training through SkillShare presentations, and the company holds a yearly summer camp in New York for its employees and 1500 members. Members are also provided with discounts for a number of businesses.

In 2011, WeWork entered into the incubator business with their company WeWork Labs. Labs functions much like its parent company but with a heavier focus on facilitating entrepreneurship, providing startups with financial advice and office hours. Through sponsorships by major corporations, Labs is able to provide entrepreneurs space for lower rates than other incubators. The company does not take a share of equity from member startups and has helped launch Reddit and Fitocracy.

For more information, visit: wework.com

Goal 2: Drive Industry Diversification

D) Increase Funding Sources

Angel investors are a critical part of any capital market, and particularly important in financing start-ups in the early stages of growth. Both angel funds and other venture capital sources are an important component in a healthy entrepreneurial pipeline. Atlantic County has sufficient wealth to establish adequate angel funding to local entrepreneurs. The economic development organization can act as an effective partner to increase private funding resources for entrepreneurs and start-up businesses.

- Profile the regional investment community
- Help create a regional \$3-5 million Angel Fund
- Identify Other Potential Venture Capitalists for Local Entrepreneurs
- Attract EDA Funding

Best Practices

How to Attract Angel Investment

Triple Pundett, Bill Roth

The key to raising money is building investor trust. There is a formula for doing so. The entrepreneurs that succeed in raising capital for their business know the formula for crafting a compelling story that earns the trust and investment of angel investors. James Magowan is an angel investor. As an investment banker with Security Research Associates, he helps companies successfully bridge the trust gap with investors to gain the investment dollars needed to grow their business.

Magowan said it takes trust to get investors to contribute to an enterprise. He has five steps he recommends to build that trust:

- Business Sense
- Big Problem, Big Solution
- People
- Prudence
- Excellent Communication

For more information, visit:

<http://www.triplepundit.com/2011/06/interview-angel-investors-five-keys-raising-capital/>

Best Practices

Kaufmann Foundation Angel Fund Guidance

Established in the mid-1960s, the Kansas City-based Kauffman Foundation is among the largest private foundations in the U.S. with an asset base of \$2 billion. The company provides grant funding and support for education and entrepreneurship. As part of its initiative, the foundation released and updates a guidelines for developing angel funds appropriate to communities. The foundation has best practice advice on building the right framework and establishing the fundamentals of the organization.

Goal 3: Improve ED Product

Improving the offerings of Atlantic County is a key component in making the region a valued destination for businesses, visitors, and future residents.

Strategy 1: Improve Workforce

As of May 2015, there are currently 13,500 unemployed residents in Atlantic County, largely due to the economic downturn and the decline of casino gambling. New casino jobs in the region are unlikely and the lack of a trained workforce has been a hindrance and a deterrent to businesses located or looking to locate within the county. The Atlantic County Economic Development Corporation must take active measures to identify the job needs of local businesses and utilize skills training programs to create opportunities for unemployed residents. The New Jersey Community College Consortium for Workforce and Economic Development is an excellent tool the ACEDC should utilize fully to accomplish this task.

Goal 3: Improve Economic Development Product

Strategy 1	Improve Workforce
Strategy 2	Bring Infrastructure Up to Standard
Strategy 3	Consolidate Municipal Services
Strategy 4	Integrate Municipal Master Plans
Strategy 5	Develop a Customer Service Culture

A) Act a Link Between Regional Businesses and Educational Institutions

Share the information learned in meetings and surveys of local businesses with educational institutions capable of providing skills training and appropriate degrees. Include Stockton University, Atlantic Cape Community College, public school districts and others active in skills training and education in the region. Have the R&E task force establish semi-annual meetings with appropriate leaders to discuss how needed skill sets are changing and where the region's workforce is falling short.

Partnerships should be set up to provide job training opportunities to upgrade the workforce with needed skills. State programs such as Opportunity4NewJersey can be investigated to finance such ventures. Partners such as the Atlantic Cape May Workforce Development Board can provide powerful assistance through established programs.

Finally, a system of career fairs should be set up to connect unemployed Atlantic County residents with employers looking for new hires. Potential employees can interview with companies who can extend an offer of employment that hinges on the competition of necessary training programs. Local businesses must be active stakeholders in the development of workforce training programs.

Key Actions

A) Act a Link Between Regional Businesses and Educational Institutions
B) Develop Online Skills-Based Education
C) Create Internship and Apprenticeship Programs
D) Create an Educational Fund
E) Develop Skills-Driven High School Programs

Goal 3: Improve ED Product

B) Develop Online Skills-Based Education

Online education is set to be a game changer for the education industry. Online workforce training courses, set up through learning management systems such as Schoox, Udemy, and EDXU, would allow residents to receive important skills training at their own speed and on their own time.

C) Create Internship and Apprenticeship Programs

The ACEDC should work with partners to build a job board for the region, not only to increase workforce participation in the short term, but to bring in the business community to invest in creating a high quality talent pool for the future. ACEDC's role in this project is important because of the guidance that it can provide in fostering high-value professional internships in high growth industries likely to have a significant regional economic impact.

Develop apprenticeship programs that provide workers with on-the-job experience and specific training needed to fill the skills gaps experienced by Atlantic County employers. Apprenticeships can offer a precise match between the skills employers must have and the appropriate training workers must receive.

D) Create an Educational Fund

Giving today's youth the opportunity to earn a higher education is an important element in building the future. Yet rising tuition costs have become a barrier to impoverished students trying to attend college. Consider partnering with or implementing a program similar to the Kalamazoo Promise that provides its county resident K-12 students with a tuition grant to attend a local university upon completion of 12th grade. As a quality of life factor, the program has the added benefit of making the region more attractive to families mindful of their children's education and future.

E) Develop Skills-Driven High School Programs

A program similar to New York's Pathway in Technology, Early College High School could serve to benefit Atlantic County. The program functions on a partnership between the private sector, higher education institutes, and local school districts for the purpose of crafting a four- to six-year curriculum that prepares high school students for jobs after graduation. Such a program would be ideal for providing Atlantic County's youth with hands-on training for jobs in specialty manufacturing, life science, tourism, entrepreneurship, and avionics.

Best Practices

Youth Apprenticeship Program State of Wisconsin Workforce Development

The Youth Apprenticeship program grants high school juniors and seniors paid workplace experience paired with two or four semesters of related coursework. Students enroll in the program for either one or two years. They are trained by an industry member in industry skills as well. The program is funded by local grants, employers, and other means.

For more information, visit: https://dwd.wisconsin.gov/youthapprenticeship/program_info.htm

Goal 3: Improve ED Product

Best Practices

The New Jersey Community College Consortium for Workforce and Economic Development

The New Jersey Community College Consortium for Workforce and Economic Development is a collaborative initiative between 19 community colleges throughout New Jersey to combine expertise, create coordinated workforce training solutions and bridge the skills gap for non-profit and private-sector employers. The Consortium offers basic skills and on-demand training free of charge through state and federal grants and is custom developed by college faculty under the employer's guidance. Specialized training programs have also been created for advanced manufacturing, biotechnology and utility companies. With 64 campuses total, there is a facility within 25 minutes of every business or residence in the state. By 2014, more than 100,000 employees and 5,400 businesses have received training. This program is an excellent resource for job training that already exists in Atlantic County. The county should look to fully utilize the program.

Best Practices

The Leader in Me

Bowling Green Chamber of Commerce – Bowling Green, Kentucky

The Leader in Me program prepares the future workforce by teaching children about leadership, accountability and teamwork – all integral skills for talent development. The initiative recognizes that all children have strengths and the potential to lead.

In 2010, the Chamber began collaborating to implement The Leader in Me in both city and county school districts. The program integrates Dr. Stephen Covey's "The 7 Habits of Highly Effective People" into the school's existing curriculum. This initiative differentiates the community from others as the local workforce gains more skills that help local companies compete in the global markets.

For more information, visit: <http://www.theleaderinme.org/>

Best Practices

ACT Work Ready Communities

Community ad Economic Development – Atlanta, Georgia

The Work Ready Communities initiative is helping empower states, regions and counties with the data, process and tools to drive economic growth. Communities the program to measure and close skills gaps by building a common framework that links, aligns and matches workforce development efforts. The portable, industry-recognized credential clearly identifies a worker's essential, foundational workplace skills in reading, math and information location.

Data is updated monthly to the ACT website for more than 3,141 counties across all 50 states. Updates include the number of certificates earned and the number of employers recognizing or recommending the certificate. ACT operates an Academy for invited community leaders to provide guidance to state, regional and county teams on building a sustainable workforce development initiative. As certification goals are met, economic development efforts are strengthened through documenting the skill level of the area workforce.

Using this partnering approach, the Iowa-based nonprofit best known for its ACT college entrance exam is furthering its mission of helping people achieve its mission of helping people achieve education and workplace success.

Goal 3: Improve ED Product

Best Practices

The Kalamazoo Promise

The Kalamazoo Promise is a program established by the city of Kalamazoo, Michigan in 2005. The program, funded through anonymous business donors, provides for a proportion of funding based on the amount of grades the child attended within the city's public school district.

The program allows for businesses in Kalamazoo to take part in supporting the public sector and is considered a tool for economic development by the city. Enrollment in the city's school district has gone up 16 percent since the beginning of the program. Currently nine out of 10 high school graduates go on to pursue a college degree. A PromiseNet conference was started in 2013 to promote such a program to other cities. El Dorado, Denver, Detroit, New Haven, and Michigan all have similar programs.



President Barak congratulates students at a recent Kalamazoo High School graduation in Michigan.

Best Practices

Pathway in Technology

Pathway in Technology (P-Tech), Early College High School is a four to six year public high school model that allows students to earn both a high school degree and either an associate degree or 2 years of college credit. The original program, in New York City, partnered the NYC Department of Education with City University of New York, NYC College of Technology, and IBM with the aim of designing a college and career ready curriculum in the technology sector. Students are paired with IBM corporate mentors and top graduating prospects receive jobs at the company after graduating from the high school.

Pathway in Technology has expanded their model to 37 campuses across New York, Chicago, and Connecticut with a variety of corporate partnerships with focuses in IT, health, advanced manufacturing, and energy. While corporate and university partners vary, the program abides by several core principles. The admission processes does not screen applicants on past performance and corporate partners must provide mentoring to students and offer paid internships. The program expects to expand to 100 campuses next year.

Goal 3: Improve ED Product

Strategy 2: Bring Infrastructure Up to Standard

A) Improve Roads, Buildings and Aesthetics

Improve roads, buildings, and aesthetics in Atlantic City to create a higher image of quality. Pot holes, burnt out casino lights, and dated infrastructure paint the city as a place of the past rather than "America's Favorite Playground." Tourism pulls money into Atlantic County. In order to attract higher disposable income, the county must renovate its street appeal to be more welcoming to visitors. Create attractive environments with benches, tables and artwork by local artists in areas with substantial foot traffic.

Key Actions

A) Improve Roads, Buildings and Aesthetics

B) Improve Internet Speeds and Connectivity

C) Create a Greater Sense of Community Through Live/Work and Public Spaces

B) Improve Internet Speeds and Connectivity

In a study by Ericsson, Arthur D. Little and Chalmers University of Technology determined that the doubling of broadband speeds for an economy increases the region's GDP by .3%. With the cloud, 4k video streaming, and big data analytics becoming integral components of our lives, fiber optics will become key.

Access to the Internet is just as pivotal to the future. Internet hotspots throughout downtowns in Atlantic County can help define the vital areas. Direct users to a permission page run by the local tourism bureau or CVB. Visitors can use the Wi-Fi for accessing information about a city's vacation getaways and local cuisine. For locals, Wi-Fi hotspots throughout public spaces can help revitalize city centers by drawing in residents and empowering the countless entrepreneurs that make their first offices in local coffee shops.

C) Create a Greater Sense of Community Through Live/Work and Public Spaces

Renovating buildings within the downtown areas into live/work spaces and multiuse buildings would allow for a more optimum use of space. Buildings remain in use throughout the cycle of the day, allowing for a more efficient use of energy. With first floors devoted to business, shops and residents are within walking proximity of each other. This would allow for a much more vibrant use of space, one that avoids becoming a ghost town after the workday ends. Municipalities located along the train line, such as Hammonton, are ideal for this type of more modern live/work/play development, and can entice workers from as far away as Philadelphia looking for a better and more affordable quality of life.



The Atlanta Beltline Project is transforming 22-acres along rail lines into a vibrant live-work environment.

Photo courtesy of *Business Intelligence*.

Goal 3: Improve ED Product

Strategy 3: Consolidate Municipal Services

Facing a declining population and tax base, Atlantic County looks for increasing ways to reduce spending and slow budget increases. Continuing Atlantic County's pro-active practice of consolidating city services between the 23 municipalities is essential to bringing down costs. There are currently 29 school districts serving 23 municipalities within the county. Consolidating those districts will not be an easy or popular task, but an analysis of the budgets and overlapping activities between school districts should be conducted to determine what services can be consolidated without decreasing quality of education and what the cost savings of that coordination would be. That information should be shared with county taxpayers. A consolidation plan should be created with goals, benchmarks, strategies and actions, and an implementation plan monitored. Atlantic County should continue and even increase the aggressiveness of its activity to consolidate services in fire, police, first response and other areas.

Strategy 4: Integrate Municipal Master Plans

The Atlantic County Economic Development Strategy and Action Plan should be integrated into the master plans for all municipalities within the county. Key properties within the region should be identified and highest and best use should be determined for each. Zoning codes throughout the region should be studies and coordinated, and district defined to best promote cluster industries.

Strategy 5: Develop a Customer Service Culture

By implementing a "taxi to bellman" policy – in which every employee in the service sector can act as an ambassador for the region - Atlantic County can better serve tourists and remain on top of the changing needs of visitors. Training programs should be implemented to better develop customer service skills in the region. Establish a regional customer service quality council modeled after the Malcolm Baldrige Award to encourage the expectation of quality and the improvement of processes and products in customer service throughout the region. Not only will the council lead to quality improvement, it will assist in changing the perception of the area to one where customer service is delivered in top form region-wide. The council can be set up as a separate 501c3 organization. Solicit support from local universities and businesses to help manage the program. Encourage all businesses and organizations in Atlantic County that interact with the public to participate.

Best Practices

Quality Council

Greater Austin Quality Council

Fashioned after the Malcolm Baldrige National Quality Award, the Austin Chamber of Commerce created a local version of the award to recognize local businesses that meet or exceed quality control standards. In Austin, the awards were issued for three categories: business, health care, and education. The framework of the award consists of three main parts: the criteria for performance excellence, core values and concepts, and scoring guidelines. Through this framework, organizations are better able to assess their progress for improved quality control, identify strengths, detail opportunities for improvement, and achieve real results. At the national level, recipients of the award achieved average revenue growth of 93% and average job growth of 66%. While the award is no longer issued in Austin, Atlantic County can create its own version of the Baldrige Excellence Performance Program.

For more information see: <http://www.baldrigepe.org/>

Goal 4: Rethink Destination Factor

The concept of tourism in Atlantic City, and Atlantic County as well, has become synonymous with casinos. That is about to change. The region has been blessed with a plethora of natural assets and other attractions. Atlantic City is already a well-established destination location within the East Coast and throughout U.S. populations. The time has come to broaden Atlantic County's concept of tourism to include its greater bounty and pursue an expanded tourism sector with full force.

Goal 4: Rethink Destination Factor

Strategy 1	Identify and Correlate Countywide Attractions
Strategy 2	Extend Tourism Peaks
Strategy 3	Expand Sports Tourism
Strategy 4	Grow Ecotourism to Better Leverage Green Assets

Atlantic City casinos have a long history of drawing tourists to the area to the exclusion of all other forms of tourism. While it is understandable that the gambling locations hope to keep visitors inside their facilities for long periods of time, the disconnection from other tourism opportunities in Atlantic County is short sighted. Las Vegas and Reno have run very successful tourism campaigns aimed at attracting convention goers, families, and young professionals to enjoy a range of attractions. Atlantic County has many more assets, and a long and colorful history to draw upon. Considerably more tourists will enjoy a stay in the area when casinos are offered as a part of the package rather than as the whole package. Both the Atlantic City casino industry and Atlantic County can benefit from a marked change in the tourism concept.

To that end, the ACEDC needs to identify all Atlantic County assets, both well-known and hidden among its various municipalities. Once a better understanding is gained of the range of attractions, a marketing direction can be mapped out, materials printed that coordinate options and every community in the region can begin to have a stake in a more productive tourism industry.

The region is significantly hampered by weather factors and the limitation of its tourism season to warmer months. While it is admittedly cold in Atlantic County in winter, other communities in the Northeastern U.S. have been able to create successful tourism programs that draw tourists to their areas year round. The ACEDC should focus on identifying ways to effectively extend its tourism merit to all four seasons. Available large unoccupied infrastructure with plenty of temperature protected indoor open spaces should be a helpful factor in that endeavor. Conventions are therefore a key component to a revitalized tourism strategy.

Interest in non-professional adult and youth sports is high in Atlantic County. Some degree of development of the sector is already underway. Significant opportunity exists to extend the industry, and for a location within the region to become a regional sports center for public schools and adult sports throughout the larger Southern New Jersey, Philadelphia, and Northern Delaware area.

The unique appeal of the Pinelands and Wetlands, along with the natural draw of the Atlantic Ocean, offers Atlantic County the opportunity to become known as the green haven of New Jersey. In addition, Atlantic County has significant Recreational Open Space Inventory registered through the state's Green Acres and Blue Acres programs, 16 state and county maintained park properties and 46 locations on the National Historical Register. Linking all these assets together to form a powerfully attractive destination lure should be a focus for the region.

Goal 4: Rethink Destination Factor

Strategy 1: Identify and Correlate Countywide Attractions

The first step in the Atlantic County's new, broader perception of destination factor is locating and polishing all the jewels in its crown. While many of the attractions in or close to Atlantic City are known, many more are hidden away in the county's other municipalities.

A) Create Countywide Tourism Dashboard

Meet with municipal leaders to discuss the opportunity. Back that up by sending out a link to a simple survey that makes it easy for the communities to tally and define their attractions and add them to the roster. Make sure that each municipality understands the broad nature of the attraction locations as anything that might be appealing to a visitor to the area. It could include sports sites, cultural space, art exhibits, historical sites, and natural resources.

B) Bolster Websites and Marketing Collateral

Once Atlantic County's full arsenal of attractions is known, use that information to the best effect. Include site locations and GPS directions in the community and ACEDC websites. Provide links to municipal websites as well. Also include the top sites within the county in marketing materials created for economic development attraction.

C) Develop Cohesive Tourism Brochures and Collateral

Don't forget to address the needs of both the members of the Atlantic County community and tourists. Use coordinated information to develop colorful and eye-catching materials.

Be sure to augment the basic listing of county attractions with current event information. Make the process easy by providing a way for event organizers or municipal representatives to update an online calendar supervised by a content manager. The information will bind the regional community together and act to attract a greater number of visitors from surrounding communities and vacation planners internationally.

Ensure that brochures and other materials advertising the full spectrum of county assets are in plentiful supply at regional portals and social gathering spaces such as libraries. Get them into the hands of travelers flying into the Philadelphia and Atlantic City airports. Place them in every car rental office in both airport and in other locations throughout the region. Place materials in high-traffic existing tourist spots, such as the boardwalk and popular restaurants. Have volunteers, interns or paid contract workers walk the materials in tourist areas, approaching tourist with offers of ideas and information. Investigate ways to get the information to potential tourist throughout the U.S. and abroad.

Key Actions

- A) Create Countywide Tourism Dashboard
- B) Bolster Websites and Marketing Collateral
- C) Develop Cohesive Tourism Brochures and Collateral

Goal 4: Rethink Destination Factor

Strategy 2: Extend Tourism Peaks

Tourism traffic in Atlantic County is a hit-or-miss factor. In the summer, hotels and parking spaces are filled to capacity in Atlantic City. Price gauging in the area is common; hotel prices for the same room can skyrocket from \$30 to \$200, depending on the pressure of demand. In peak season, restaurants are packed and foot traffic on the boardwalk is heavy. However, tourist traffic during the work week and once the weather turns cold is not sustained at those levels.

Over the years, the perception of Atlantic County as a non-casino tourist destination has come to be limited to summer and the warmer portions of spring and fall. Cold weather keeps tourists off the beaches, and a lack of creative thinking has failed to provide attractions and activities that capture the interests of winter vacationers. It's time to break out of the box. Creative options need to be developed to extend tourism seasons with indoor and winter-friendly activities and mid-week attraction options.

Key Actions

- A) Develop 3-Day Tour Packages
- B) Create Shallow Port Cruise Tours
- C) Target College Student Populations Off Season
- D) Grow Events, Festivals and Conventions

✓ Game Changer: *Make Atlantic City the Game Capital of the World..*

At one of the community meetings held during the stakeholder engagement phase of this project, a local resident stood up and suggested that Atlantic City be turned into the “Gaming Capital of the U.S.” Why not take a great suggestion even further? With Atlantic City’s fame in the invention of the Monopoly board game and its history in casino gambling, make it the “Gaming Capital of the World.” Extend the concept to all forms of gaming – board games, virtual games, etc.

✓ Game Changer: *Create a major international indoor theme and recreation park with the quality and recognition to attract vacationers from Europe and Asia. Atlantic City has the name recognition and the gaming reputation to provide leverage. The city also has large unoccupied infrastructure space beachfront on the Atlantic Ocean that can be repurposed to contribute to the project.*

This project should be undertaken on a large enough scale to compete with domestic theme parks and international destinations. If attempted on too small a scale, it will be unable to attract sufficient numbers of visitors to become successful. Too small a concept will not have the explosive power to immediately shift the perception of Atlantic City as a cutting-edge family vacation destination.

Goal 4: Rethink Destination Factor

Game Changer: *Investigate ways to connect the enormous population of online gamers to a physical location. Become the first virtual gaming reality location. Own a gaming and technology event and convention similar to SXSW in Austin, TX to be held annually that merges new technology concepts into the world of games.*

Game Changer: *The \$194 million Esports market enjoyed a viewership of 89 million in 2014. The industry is expected to more than double that revenue to a predicted \$465 million by 2017, according to research firm Newzoo. Tournaments for Call of Duty and League of Legends have already attracted big name sponsors, and are offering million dollar prize pools. Available hotel accommodations, the existence of a gambling industry, and an underutilized conference center could serve as leverageable assets for the county in attracting a video game tournament to Atlantic City. The indoor nature of the event would make it ideal for winter months when tourism is down. .*

A) Develop 3-Day Tour Packages

Using the countywide attraction information gained from municipalities, pull together mid-week 3-Day packages that combine events, tickets, casino chips, hotel and bed and breakfast stays and other amenities. Offer local merchants, including restaurants and hotels, the opportunity to donate discounts and merchandise that will provide them with low-cost advertising benefits. As an example, design a Girls-Get-Out or Hump-Day-Hideaway package that includes restaurant discounts, special hotel rates, vouchers for mani/pedis and massages, special casino arrangements, and a free bottle of champagne waiting in the hotel suite.



The 2014 Texas International Fishing Tournament, part of shallow port tourism activities in Port Isabel South Padre, Texas; brings in 1,300 anglers and their families each year.

B) Create Shallow Port Cruise Tours

Rather than acting as a major asset, Atlantic County's East Coast location acts as an issue in limiting logistics and western cut-off. Investigate the possibility of partnering with other Mid-Atlantic coastal cities to organize a small cruise route for ships similar to the Windstar or Blount lines that can dock in shallow ports. Investigate the possibility of policy changes that would create a Port Improvement District to allow for bonding capabilities to pay for port improvements through sales and usage taxes.

Goal 4: Rethink Destination Factor

C) Target College Student Populations Off Season

College students with parents or permanent homes in the Mid-Atlantic, Northeast, and South Atlantic U.S. offer a potentially strong demographic to target for winter tourism. For many college students, the winter break represents a time stuck recouping from finals week. It is a time when students seek to catch up with high school friends, many of whom attend different schools in different parts of the country. The nature of the short break, as well as time already allocated toward celebrating the winter holidays with family, reduces the distance students can travel. Atlantic City, with proper marketing, could become a larger holiday destination for these college students looking for a winter break escape.

D) Grow Events, Festivals and Conventions

Atlantic City has both international name recognition and a functionality as a destination location. These elements are highly synergistic with the convention industry, and if leveraged properly can help bring visitors to Atlantic County during non-peak tourism months and weekdays. Furthermore, the county has the necessary infrastructure, in terms of two convention halls and an abundance of hotel and casino accommodations, to facilitate an uptick in visitors.

While the county should welcome most conventions and events, it must pursue those that are directly tied to the target industries. By attracting industry leading conventions, Atlantic County can better engage business leads. County representatives should be present at such conventions to network and present the county as an attractive locale for relocation or expansion.

High tech events and conventions are also crucial in establishing a reputation for Atlantic County as a place on the cusp of cutting edge innovation. The county's achievement in being designated as the lead drone testing site in the United States must not be squandered. This asset should be leveraged in attracting conventions for both corporations involved in drone R&D and for UAV enthusiasts. The county should also focus on bringing E-Sports events and gaming conventions to the gaming capital of the east. Gaming conventions garner a national media following, especially when key industry players unveil new products.

Best Practices

Anchorage Mini Maker Faire

Greater Anchorage Economic Development Corporation – Anchorage, Alaska

To foster a culture of innovation and entrepreneurship, AEDC hosted a day-long event that attracted more than 1,200 attendees and 41 maker booths staffed by 91 makers. Twelve maker sold their creations at the event, and food trucks provided lunch. Makers encompass a broad category of individuals who create new and innovative projects, including engineers, inventors, tinkerers, hobbyists and artists. AEDC sought to create more interaction between local innovative thinkers that can form the bedrock of an entrepreneurial community.

For more information, visit: AEDCweb.com.

Goal 4: Rethink Destination Factor

Strategy 3: Expand Sports Tourism

Atlantic County's rural setting, abundance of hotel accommodations, and reputation for tourism could make sports tourism a perfect match for the region. Fostering youth and adult leagues, as well as tournaments, would bring visitors to parts of the county outside of Atlantic City. This exposure is important to the region since families visiting today are tomorrow's potential residents.

Furthermore, leagues and tournaments can be scheduled outside of peak visitor months, allowing for less seasonality in the Atlantic County tourism industry. Investigate ways to bring warm weather sports indoors, using existing vacant casino space in Atlantic City. Maturing and expanding winter sports and activities in the area for outside participation also offers opportunities.

Families visiting the county for sports are also likely to dine, shop, visit vineyards, and other amenities within the region.

✓ Game Changer: *Explore the Possibility of Becoming the East Coast Site for Mega Sports Events Similar to X Games.*

X Games an annual sports event, controlled and arranged by American sports broadcaster ESPN that focuses on extreme sports. The inaugural X Games were held in the summer of 1995 in Newport, Rhode Island. The X Games gained media exposure due to their big name sponsors, top-tier athletes, and consistent fan attendance. For the last two years, the games have been held in Austin, where 140,000 attend four day events.



X Games Austin, TX

Goal 4: Rethink Destination Factor

Strategy 4: Grow Ecotourism to Better Leverage Green Assets

A) Promote Tourism Options Within the Wetlands and Pinelands

At 1,210 residents per square mile, New Jersey is the densest state in the U.S. Pennsylvania, Maryland, Delaware, and New York all fall in the top 10 of that list. Atlantic County's access to the Pinelands and Wetlands therefore is an overlooked resource. Within the north eastern urban hub, Atlantic County is one of the few outdoor getaways. This factor has contributed to helping the area attract a number of residents looking for an escape from urban centers like New York and Philadelphia.

The ACEDC should work to improve connectivity between cities within the Pinelands by setting up a network of hike and bike trails through less environmentally sensitive areas. Winter Gardens, Florida is a key example of how a network of trails connecting small communities has helped develop a burgeoning downtown district.

Rather than cutting against the grain, Atlantic County must take ownership of the Pinelands National Reserve. Atlantic County staff and the ACEDC should become the center of expertise on the environment as well as some of the most vocal supporters for its preservation. Regulation within the region does limit the region's ability to grow, yet the reserve is a unique asset that prevents the county from becoming just another region of north eastern sprawl.

Atlantic County should look into setting up an ecological campus through a partnership with a local university. Graduate students at the campus can gain hands on training in ecology while providing residents and local businesses with research studies necessary to get approval for projects within the Pinelands region. The ACEDC should facilitate a partnership between the campus and local schools to educate students about conservation and environmentalism at an early age.

A rebranding effort of the Pinelands Region should be considered. By taking on the initiative of branding the region, Atlantic County can become known as the destination point for visitors looking for a weekend getaway from urban centers. Merchandise with branding can be sold at stores near hike and bike trails and camping sites, bringing in additional revenue to smaller towns.

B) Market Local Vineyards, Farms, and Golf Courses to Visitors

Atlantic County has a number of vineyards, golf courses, and agro-tourism options available that are often overshadowed by its casino industry. The ACEDC should look to setting up promotional material advertising such locale within city hotels and the Philadelphia airport. Tour packages would be a strong opportunity to cross promote such assets. The Greater Atlantic City Golf Association should be a key partner in developing marketing materials.

Key Actions

A) Promote Tourism Options Within the Wetlands and Pinelands

B) Market Local Vineyards, Farms, and Golf Courses to Visitors

Goal 4: Rethink Destination Factor

Best Practices

MAAG Heritage Tours

Memphis, TN

The Memphis Area Association of Governments (MAAG) partnered with Heritage Tours for the West Tennessee Heritage and “Roots” Day Trippin’ Tour to encourage visitors and local residents to go beyond Memphis and experience the heritage and culture of surrounding rural communities. Tours highlight the history of the African American experience by featuring historic stops on the Underground Railroad and the Alex Haley Museum. The three tours that were offered in February 2014 had 69 participants and visited the newly renovated Ripley Historic Downtown Square showcasing the Bank of Ripley’s annual Black History Month Exhibit and Covington Downtown Square, home of the Annual Chocolate Tour. Building on the tour’s success, MAAG is currently working with Heritage Tours on three new themed tours highlighting the Civil War, Antebellum Architecture, Blues, and “Roots” in West Tennessee.

For more information, visit:

www.westtndaytrippin.com

Best Practices

Texas Hill Country Tourism: Fredericksburg

Today, Fredericksburg ranks as one of the top rural cities for tourism in America, catering to both daytime visitors from major urban centers in Central Texas as well as overnight visitors coming in from farther away. As part of its tourism development strategy, Fredericksburg has developed a remarkable method for drawing in visitors for every aspect of its heritage and natural assets by showcasing both its German and Texas rancher roots and inspiring visitors to appreciate the peaches, lavender, wildflowers, wines, and natural landscapes for which the region has become well-known. The influx of tourists has allowed for a wide variety of small businesses to prosper: from cozy bed and breakfasts to small boutiques and wineries.

Aggressive marketing campaigns showcase all regional assets, while the website of the Bureau itself allows visitors to plan every aspect of their trip, from accommodation to tours and shopping. The Visitor’s Center provides visitors with travel counselors to answer their questions, and also offers free maps, informational DVDs and parking.

For more information, visit:

<http://www.visitfredericksburgtx.com/>

Best Practices

City of Winter Garden, FL

Historic Downtown Arts and Culture District

The small city of Winter Garden began land banking property in its declining downtown area, to plan and create a vibrant historic district for arts, entertainment and culture that powered new interest in the city and relocation by entrepreneurs, innovation companies and young professionals. The city partners with The Winter Garden Arts Association and the Winter Garden Heritage Foundation to grow and improve the area, offering incentives to businesses that renovate old buildings and locate in the district and building parking facilities to handle large crowds.

The city initially purchased and spurred renovation of a historic theater that now operates as an independent public organization. Active city staff aggressively pursued and established numerous large festivals that take place in the district each year, including a popular visual arts festival, Music Fest and Culture Fest, which includes a film festival. The district has been so successful, it operates at 100% business occupancy and the city has begun to develop and adjacent area of abandoned warehouses into a separate and permanent arts district.

For more information, visit:

www.cwgdn.com/

Redevelopment Sites

Atlantic County Strategic Real Estate Locations						
Property	Location	Size	Owner	Project Use	Estimated Cost	Possible Funding
Bader Field	Atlantic City	142 Acres	Atlantic City	Phase 1: Sports Complex, Phase II: World Trade Center	\$100 Million +	Sales tax sharing, EB5 Visa, Diverted CRDA Funds
Stockton Aviation Research and Tech Park	FAA William J. Hughes Technical Center Campus	55 Acres	Stockton University	Spec Building to Include Incubator	\$15 Million	Public/Private Partnership
Atlantic City International Airport	Egg Harbor Township	Portion of 84 Acres	FAA/SJTA	Aircraft Maintenance, Repair and Overhaul Facility	\$5 Million Building \$8-9 Million Taxiways	Possible sales tax rebate, TIF, EB5 Visa, Public/Private, Diverted CRDA
Hamilton Racetrack	Hamilton Township	250 Acres	Parks Casino	Enclosed Theme Park	Covered by Owner	
Route 40 Combined Purpose Projects	Buena Vista Township	7 Acres 4 Sisters 192 Acres Richland Village	4 Sisters - Plant Buena Vista Township Historic	Specialty Mfg. and Destination Development	\$1.6 Million for Combined Projects	EDA Grants, Tourism Grants, Historic Society, CRDA, Tax Abatement

Bader Field

Considered a prime redevelopment site for the U.S. East Coast, Bader Field is a 142-acre peninsula parcel of land in the western area of Atlantic City approximately one mile from the terminus of U.S. Route 40 and U.S. Route 322. The airport facility closed in 1990, and a minor league baseball stadium was constructed on the site. The stadium was rebuilt as a 5,500-seat facility. The stadium has also been used as an ice rink and auto races, as well as for music festivals in 2011 and 2012.

The site is owned by Atlantic City and is included in the state-run tourism district controlled by the Casino Reinvestment Development Authority. Atlantic City turned down a 2008 purchase offer of \$800 million plus \$100 million in property tax relief by Penn National Gaming. The site could be leased for five to 10 years as a sports complex while waiting for with long-term plans of converting the location into a World Trade Center or international market hall. Boardwalk Hall could be considered as an alternative site for this purpose.

A WTC building would cost an estimated \$100 million+. The cost of the products exhibited within would be born by the companies that produce them. Costs for upgrading the property for its interim purpose as an athletic center would be born by the lessee organization.

Note: Atlantic City recently sent out an RFP for short term lease of Bader Field and accepted a proposal from Bader Field Sports, LLC. It is unclear whether the city has signed a contract.

Redevelopment Sites

Hamilton Racetrack

The 250-acre Hamilton Racetrack was opened in 1946 as part of a larger acreage track opened by celebrities that included Bob Hope, Frank Sinatra and Harry James. It has since sold off most of its acreage to a retail mall. It is accessible by the Atlantic City Expressway and State Highways 322 and 40, and is approximately 6 miles from the Atlantic City International Airport and 14 miles from Atlantic City. It is noted as one of the highest and driest (most protected) sites in Atlantic County, and has very flexible zoning for most purpose, except auto racing.

The racetrack is privately owned by Parks Casino (Greenwood ACRA) and located in Mays Landing in Hamilton Township. It sold to current owner in 2001 for \$11 million +/- \$2 million bonus. Current price is likely in the \$5-6 million range. Parks Casino will sell entire property at once, or as phased purchase. Limitations include restricted highway frontage and visibility, considerable demolition requirements and asbestos in old structures. Owners say township will support its use as a sports/entertainment center. Owners had 2010 plans for a 20-story hotel and conference center along with an office and research park to tie into the FAA research park.

Standing infrastructure includes a water well, sewer capacity for 125,000, and an infield lake. In uncertain condition are stadium seating for 10,000 and standing room for 25,000, a one mile track, parking for 5,000 and 26 barns. Property comes with liquor license.

Note: Property qualifies for redevelopment incentives. Agent believes the site is prime for development as a family entertainment area close to but not in Atlantic City. Owner reports past interest by Disney, Six Flags, Magic Sports, Ripken Sports and developers of a water park and hotel.

Route 40 Combined Purpose Projects

Buena Vista Township currently has a project in planning to assist in the expansion of a privately owned produce warehouse and flash freeze facility to a size that can accommodate produce throughout the county for preparation in shipping to locations within the U.S. and Canada. The facility is located along U.S. Route 40.

Buena Vista would like to leverage the increased processing capacity to further its agricultural reputation and history and support an economic development efforts to build destination appeal downtown centered on an historic railroad connection. The combined project will allow the township to build tourism despite strenuous limitations set by the Pinelands Commission, allowing the community instead to leverage the beauty protected by the restrictions. Success of the Route 40 project could translate to other western communities in the county.

The cost of upgrading the processing facility is estimated at \$1.4 million, and would ultimately be born by 4 Sisters Holding. BVT estimates the cost of turning the downtown area into a destination attraction at \$625,000. Options for funding the project could include EDA grants, tourism grants, Buena Historic Society funds, and CRDA diverted funds. A 10-year tax abatement should also be explored.

Redevelopment Sites

Atlantic City International Airport MRO

Atlantic City purchased 4,312 acres for an airport in 1910. In 1958, the city transferred ownership of all but 84 acres located in Egg Harbor Township to the federal government for Federal Aviation Administration use. In 1992, The South Jersey Transportation Authority acquired the Civil Terminal Building from Atlantic City and also the city's reversionary interest in lands owned by the U.S. The Port Authority of New York and New Jersey currently manages the airport itself under contract.

The Atlantic City International Airport is a vital, yet heavily underutilized asset within the county. AngelouEconomics recommends Atlantic County to pursue a Maintenance and Repair Operation (MRO) for the airport. The airport's proximity to a number of major airports on the east coast, lack of congestion, and lower wage and rent costs make it an ideal location for such an operation.

A number of modifications must be made to the airport to allow for such a venture. First, taxiways will need to be constructed from the runway to where the maintenance facility will be located in order to transport the airplane from the runway to the facility. This will cost \$8-9 million. Construction of the maintenance facility itself will cost \$5 million. This cost could potentially be covered by the MRO.

AngelouEconomics expects the operation to employ 350 people within the county. A partnership with Stockton University would benefit both parties. The university can provide hands on courses in aircraft maintenance on the premise. Students who have gone through the Stockton program would be ready for employment afterwards at the facility.

Stockton University Aviation Research and Technology Park Spec Building

The research park will be located on the campus of the Federal Aviation Administration's William J. Hughes Technical Center in Egg Harbor Township. The WJHTC houses every system in use today in U.S. commercial aviation and is involved in system development and testing of NextGen systems, airport and aircraft safety research, and homeland security research. There will be high-speed connectivity to the WJHTC laboratories that replicate the National Airspace System (NAS). An FAA laboratory will be located in the first building of the Research Park and Stockton ARTP already has umbrella agreements in place to allow members to jointly work on mutually beneficial projects with the WJHTC and the Atlantic City International Airport (ACY).

Research park access is established on both Delilah Road and Amelia Earhart Boulevard, and Atlantic County has provided substantial roadway improvements at the entrance to the Research Park, ACY and the WJHTC. The Research Park also offers close proximity to full interchange of the Atlantic City Expressway with a close connection to the Garden State Parkway.

Legal issues and communication have slowed the start of the research park. A 100,000 sf public/private spec building is recommended that will include a 15,000 sf incubator. The project will involve major international partners and aviation start-up tenants. Estimated cost for the project is \$15 million and should be funded as a public/private partnership.

Public Policy

New Jersey's fairly robust incentive package already has some of the necessary tools for Atlantic County to be successful. State level incentives focus on job training, retention, manufacturing, and life sciences, and therefore line up with Atlantic County's needs. These resources are vital in helping the county offset the high costs businesses face when locating in the north east.

Atlantic County should utilize the Grow New Jersey Assistance Program (Grow NJ), which provides companies with tax credits equaling \$500 to \$5,000 per job, to offset high payroll costs for businesses looking to locate within the county. Atlantic City's designation as a Garden State Growth Zone qualifies it for the highest levels of base credits that can be awarded for mega projects. The Urban Enterprise Zones (UEZ) Tax Exemption can be used to reduce utility costs for manufacturing companies by waiving the sales and use tax on electricity and natural gas utilities.

State incentive programs have not been without problems. The State's use of tax refunds for companies creating job growth in New Jersey has led to some budget woes. This has resulted in programs being cut by the administration, leaving businesses promised refunds high and dry. The state should be encouraged to consider shifting its incentive offerings from tax refunds to tax credits.

The following page provides further policy suggestions for the Atlantic County to implement as well as policies the County should lobby the state into implementing. Federal programs that can be leveraged are also listed. Public policy considerations provided focus on providing companies with financial resources to grow new jobs, resources to help the county retain businesses, and policies that encourage commercialization.

Best Practices

CAPCO

The CAPCO program is a government economic development tool designed to foster the development of a venture capital infrastructure to help provide the funding for innovative local companies that are without the means of obtaining financing.

CAPCO programs allow governments to raise large pools of capital from insurance companies or other financial entities by offering tax credits for investments they make into approved CAPCO funds. The tax credits are taken over time and therefore they do not affect government tax revenues in the year that they are issued.

CAPCOs are typically venture capital groups with significant local knowledge and industry expertise and provide a leveraged (often a 4:1 ratio) capital match of their own to invest in innovative companies.

Nine states currently have CAPCO programs. Notable success stories include Digium (AL), Medidata Solutions (NY), and T&K Machine (TX). After receiving CAPCO funding, all of these companies were able to attract additional funding and expand their presence.

For more information visit:

<http://www.capcofacts.com/home.html>

Public Policy Considerations

Local

- Waive property taxes for technology start ups for 5 years (best practice: “Start Up New York” program)
- Waive property taxes for co-space companies for 5 years
- Allow public pension funds to voluntarily invest up to ½% of assets in high risk ventures (start ups)
- Consider property tax abatement on new equipment for modernization of aging manufacturing facilities
- Waive property tax for façade improvements in downtown districts
- Establish minimum upkeep standards for unoccupied or vacated properties in downtown districts
- Develop Wi-Fi infrastructure in downtown districts and entrepreneur gathering places
- Allow live-work zoning in entrepreneurial zones
- Establish minimum regional incentive package guidelines
- Closely monitor discussions of legislation that would allow a casino elsewhere in the state to ensure if it gets on the ballot it includes wording that guarantees constitutionally that a portion of the state tax on any new casino will be dedicated exclusively to economic development projects in Atlantic County.

New Jersey

- Increase funding sources for entrepreneurs and growth capital for medium size business: Allow voluntary investment up to ½% of public pension funds in high risk ventures
- Enable the creation of a Certified Capital Company (CAPCO)
- Create special economic zone incentives for counties that are below 80% of state’s average income/ or at 120% higher unemployment rate. State incentives will automatically reset at a 25% higher level of all state incentives offered.
- Allow exemption from state income tax of 50% of income generated from commercialization of new IP.
- For existing companies, allow income tax credits of up to 40% of a company’s additional investments.

Federal

- Access “New Market Tax Credits”
- Access “Start up America Program” incentives
- EDA funding for special projects (life sciences laboratory equipment for universities and incubators, entrepreneurial capacity studies, downtown Wi-Fi infrastructure)
- Access U.S. Rural Development Program funding (community development projects, i.e. libraries, museums, medical clinics, street improvements, child care centers, community kitchens and gardens etc.)

Conferences

Based on the recommended target industry, AE suggests that the Atlantic County Economic Development Corporation consider attending the following or similar conferences in order to gain a firmer understanding of industry trends as well as to establish industry contacts and market the region's available assets related to the industry.

Aerospace and Avionics Conferences		
Conference	Description	Date
The International Conference for Aerospace Experts, Academics, Military Personnel, and Industry Leaders	The international IEEE Aerospace Conference partners with AIAA and PHM Society to promote interdisciplinary understanding of aerospace systems, their underlying science and technology, and their applications to government and commercial endeavors.	March 5-12, 2016
Digital Avionics Systems Conference	This conference focuses on the impact of global mandates on avionics research and development as well as bringing together experts in commercial, military, general aviation, and space applications together to exchange ideas, network, and build an understanding of the future of avionics.	September 13-17, 2015
Avionics Maintenance Conference	The Avionics Maintenance Conference is designed to bring together airline representatives and maintenance companies in order to promote reliability and to reduce operating and life cycle costs of air transport avionics by improving maintenance and support techniques through the exchange of technical information.	April 25-28, 2016

Life Sciences Conferences		
Conference	Description	Date
Institute For Healthcare Improvement Annual National Forum	This event unites thousands of health care leaders, visionaries, and front-line practitioners from around the world to exchange ideas regarding quality health care and how to improve health.	TBD 2015
Hospital Medicine 2016	HM16 offers a comprehensive array of educational and networking opportunities focusing on the practice of hospital medicine.	March 6-9, 2016
Bio-IT World Conference and Expo 2016	This conference unites 2,500+ life sciences, pharmaceutical, clinical, healthcare, and IT professionals from 30+ countries. The Expo provides a platform to share information and discuss enabling technologies that are driving biomedical research and the drug development process.	April 5-7, 2016
International Conference On Proteomics And Bioinformatics	This event promotes exchange of knowledge and research techniques with experts from pharmaceutical and biotech companies, academicians from leading universities, scientists from research institutions.	Sept 1-3, 2015

Conferences

Tourism Conferences		
Conference	Description	Date
PRSA Travel and Tourism Conference	This conference will engage those involved in travel arrangement and PR services. The event seeks to provide travel and hospitality communicators with the tools and techniques to succeed in today's fast paced marketplace	TBD 2016
Young Travel Leaders Conference	This conference gathers young leaders in the travel industry for education and networking. The event will focus on business plans and trends important to new members of the tourism industry.	December 8 th , 2015
Restaurant Finance And Development Conference	Restaurant owners, consultants, and investors are invited to learn about financing and growing restaurants. A good opportunity to learn about how about challenges in the restaurant industry and the needs of restaurateurs and investors.	November 9-11, 2015
Specialty Manufacturing Conferences		
Conference	Description	Date
International Manufacturing Technology Show	This bi-annual even is one of the largest industrial trade shows in the world and hosts over 1,900 exhibiting companies.	September 12 - 17, 2016
Advanced Design And Manufacturing Impact Forum Conference	This conference addresses the intersection of advanced design and manufacturing in industrial and consumer applications. In particular, it will emphasize suppliers involved with advanced design and manufacturers of hardware/equipment/functional systems.	TBD 2016
Food Processing And Technology Conference	This exhibition will center on emerging technologies and devising strategies related to food processing.	August 10-12, 2015
Entrepreneurial Services Conferences		
Conference	Description	Date
PRSA Travel and Tourism Conference	This conference will engage those involved in travel arrangement and PR services. The event seeks to provide travel and hospitality communicators with the tools and techniques to succeed in today's fast-paced marketplace.	TBD 2016
IEEE International Conference On Services Computing	This international conference looks at how services computing is affecting business modeling, business consulting, solution creation, service delivery, and software architecture design, development and deployment.	TBD 2016
Global Coworking Unconference Conference	This conference is the leading coworking conference in America. The conference brings coworking space owners together to discuss strategies with managing the business, design strategies, and the future of coworking.	May 4-6, 2016

Conferences

Economic Development Organizations Conferences

Conference	Description
Industrial Asset Management Council (IAMC)	Founded in 2002, the IAMC describes itself as “the leading association of industrial asset management and corporate real estate executives, their suppliers and service providers, and economic developers.” Membership in the IAMC provides access to the organization’s bi-annual meetings. These meetings provide high-quality education and networking opportunities in a low-key, professional environment.
American Chambers of Commerce Abroad (AmChams)	Organized under the U.S. Chamber of Commerce’s International Division, AmChams are organizations of business leaders that represent U.S. business interests to the government, business leaders, and communities of the host countries. Currently, there are 116 AmChams representing U.S. business interests in 103 countries worldwide. Membership in AmChams not only provides networking opportunities and business leads, but also access to publications, libraries, and consolidated information on business climate’s and regulations.
SelectUSA	Created by the Federal Government under the Department of Commerce, SelectUSA was created to showcase the United States as a prime location for business. To this end, SelectUSA provides both industry profiles and a searchable guide on Federal grants, loans, loan guarantees, and tax incentives. SelectUSA also provides Economic Organization Development Counseling to state, regional, and local organizations. This counseling includes best practices, outreach methods, and marketing strategies.



Select USA Industry Summit 2016, Washington, D.C.

Implementation

The implementation matrix offers recommendations on how the ACEDC and its economic development partners can apply this action plan. It is organized by the steps outlined in the strategy and includes action items, timeframe and the parties to be involved in execution.

This matrix, paired with the annual scorecard event, will assist the ACEDC in tracking the progress of the implementation of this plan.

A sample implementation matrix is provided below. An editable excel document separate from the body of this report will also be provided. The ACEDC should act as the organization in charge of the collaborative implementation of the strategic plan.

Implementation Matrix

Strategic Action Item	Implementation Timeline			Implementation Partners						
	Short Term (3 Year)	Mid Term (3-5 Years)	Long Term (5+ years)	DADC	Atlantic County	Chamber of Commerce	Local Universities	Atlantic County Workforce Development	Atlantic County Public Schools	Georgia IDC
Improve Business Climate										
Improve Permitting										
Implement Matrix report recommendations to achieve rapid permitting	X			X	X					
Consider customized incentives for permitting	X			X	X					
Integrate DADC as liaison in the permitting process		X		X	X	X				
Market changes in the permitting process		X		X	X	X				
Support Entrepreneurs and Small Businesses										
Consider a technology incubator in partnership with higher education assets										X
Create a women / minority owned business accelerator										X
Explore the development of Coworking Space		X			X	X	X			
Implement new financial incentives to support entrepreneurship	X				X	X	X			
Engage in angel investing network and crowd funding for entrepreneurs	X						X			X
Support Existing Businesses and Facilitate Expansion										
Organize robust visitation and outreach program with existing businesses	X				X		X			
Use online platform to survey all businesses	X				X		X			
Match workforce training programs to existing business needs		X			X		X		X	

SAMPLE

Key Performance Indicators

Regional Economy

- Average wage
- Total regional wages and percent change
- Per capita income
- Public vs. private sector income
- Total new jobs
- Average wages for new jobs
- Average household income percent change
- Total population percent change
- Regional GDP by major industry
- Population/demographic changes
- Higher degree attainment of 25-44 demographic
- Labor participation rate
- Local new job listings

Quality of Life

- High School Graduation Rates
- Average Commute Times
- Regional Cost of Living
- Housing Prices
- Property Crime Rates
- Violent Crime Rates

Infrastructure

Residential

- Average price of multi family rent
- Average price of housing sales
- Average price of new homes
- No. of months in single family inventory
- Total residential property value percent change

Commercial

- Office, industrial absorption/vacancy
- Office, industrial price/square feet
- Average no. of days to issue development permits
- Total commercial property value percent change

Transportation

- Average commute time
- VRE ridership
- Number of single occupancy vehicles
- Number of multiple occupancy vehicles
- Average speed on major roadways, including highways

Target Industry

Growth

- No. of active corporate leads and actual visits
- Jobs created/lost related to target industries
- Number of total firm expansions/relocations
- Total capital investment
- Tax revenues generated
- ROI of ED budget to total new jobs and income (annual)

Target Industry Workforce

- Total number of annual higher degree graduates
- Percentage of annual STEM related graduates vs. non-STEM graduates
- Number of HS graduates
- Percent of HS graduates enrolling in college/technical school within a year of graduation
- Number enrolled and awarded certificate via workforce development programs

Entrepreneurial Metrics

Business Creation

- New business starts (Incorporations, Licenses)
- No. of incubated businesses

Capital and R&D Activity

- Angel and Venture funding
- SBIR and STTR awarded grants by industry
- Patent filings/awarded patents (by industry)
- R&D spending
- ROI of private investment to public investment (annual)

Key Performance Indicators (KPIs)

Marketing and Branding

Website

- Number of website visits
- Website visitor engagements
 - Average number of clickthroughs on website
 - Average number of page views by visitors
 - Average time spent on website
- Track onsite search terms
- Number of social media followers (twitter, LinkedIn, facebook, etc...)
- Number of social media shares (re-tweets, likes, etc...)

Brand Awareness

- No. of media mentions /year
- Number of subscribers to content (newsletter)

Out-of-Market Activities

- Number of marketing events (trade shows, marketing trips, conferences)
- Deal conversion rate (rate of prospects into projects)
- Number of prospect inquiries
- No. of prospect visits
- ROI of leads to marketing budget

In-Market Activities

- Number of annual BR&E visits
- Number of completed BR&E assistance requests by type per target industry
- Ratings of overall business climate through BR&E survey
- ROI BR&E jobs to BR&E budget

International

- *Regional exports*
- *Regional foreign direct investment*
- *Number of international inquiries by country, industry*
- *Number of qualified leads*
- *Conversion rates of prospects to new business*

About AngelouEconomics



ANGELOUECONOMICS

AngelouEconomics partners with client communities and regions across the United States and abroad to candidly assess current economic development realities and identify opportunities.

*Our goal is to leverage the unique
strengths of each region to
provide new, strategic direction
for economic development.*

PROJECT TEAM

Angelos Angelou
Principal Executive Officer

Dane Anderson
Project Manager

William Mellor
Director of Project Operations

William Bean
Associate Project Manager

Morgan Adams
Research

AngelouEconomics' clients are able to diversify their economies, expand job opportunities and investment, foster entrepreneurial growth, better prepare their workforce, and attract 'new economy' companies.

To learn more, visit www.angeloueconomics.com