



ECONOMIC DEVELOPMENT

June 2024

ECONOMIC DEVELOPMENT PROGRAM

Background:

In 2015, The Authority was charged by the Board of Chosen Freeholders to serve as the county's economic development and redevelopment entity. This role was enabled under the County Improvement Authorities Law, which grants broad development, financing, and redevelopment powers to an improvement authority. In this way, counties that have utilized improvement authorities to the maximum extent provided in the law, have found that they can become much more flexible, creative and responsive to the development and financing needs of business, industry, and local government partners.

The Authority's Mission Statement reflects this ability to serve as a development partner:

The Authority's mission is to assist with development, financing, and integration of projects, strategies, and initiatives integral to the economic and environmental sustainability of Cumberland County

In addition to providing financing and development project oversight, the role of Economic Development Entity entails many other components necessary for a continual flow of information, resources, and business expansion and recruitment. While often overlooked, these components are equally important in having a recognized entity and prioritized response to situations as they arise.

Components of the Economic Development Program At The Authority

- Business Expansion and Recruitment
- One Stop Information and Resource Center
- Project Facilitation, Revitalization and Land Assembly
- Financing
- Shared Services Coordination
- Marketing/Branding
- Strategic Planning
- Public Policy and Advocacy

Each of these components will be explained in an effort to provide a comprehensive understanding of the Economic Development Program. Examples will be provided to help clarify each of the components.

Business Expansion and Recruitment

Probably the first thing people think about when considering economic development is the recruitment of businesses and business expansion in the region. This is perhaps the most visible aspect of economic development. Within Cumberland County, this requires varying levels of coordination with existing economic development directors within the three cities, the Cumberland Development Corporation which represents some of the western localities, and a good number of state and regional government entities.

This portion of the economic development program is perhaps the one that has changed to the greatest degree over the last decade. Previously, a municipality had to aggressively pursue any leads and spend perhaps 50% of their time on this, relentlessly trying to compete and convince businesses to give due consideration to our advantages. However, there were so many areas that were better suited from the transportation, utilities, and workforce perspectives that Cumberland's competitive advantage was slim.

Presently, however, Cumberland does have significant advantages with quick access to Rt. 55, and hence the interstate network, and even more importantly, utility capacity. There are now few areas between Philadelphia and the shore that have water and sewer capacity, especially to handle food processing or other types of manufacturing. Old, vacant manufacturing plants are now of interest with connections to water and sewer facilities. Serviced industrial land is still available, and often located within industrial parks that are redevelopment areas. Economic development today, is more about finding the right site rather than convincing companies to even consider the county.

The process requires the exchange of much information, working closely with site selectors and potential development partners, and managing the flow of information, and, ensuring its' accuracy. Each inquiry requires the development of a proposal and assembling the requested level of information. Sometimes this goes on for quite a while and sometimes it is a quick response without follow-up. Either way, a good deal of time is required to submit a competitive proposal.

Cumberland is now in a position to carefully assess if a project matches our priorities rather than accepting any jobs-producing venture that may be seeking land. For example, we have helped **Upper Deerfield and OmniTrax** Railroad submit proposals for large scale new development on several occasions, including site visits from out of state investors. In one case, it was determined the project was too environmentally dangerous, but in the second case the result will be a new 288,000 sf rateable for the county and township within an established redevelopment zone. **The successful recruitment of Sika Concrete**, a Swedish company, represents a nearly **\$200 million investment** in equipment and construction.

Quite often, The Authority's role is in assembling a creative financing scenario for business expansion. Our intricate relationships with state agencies such as **NJEDA, Choose NJ, the Business Action Center, NJHMFA, DRBA, NJ Community Capital, and NJ Dept. Community Affairs** helps us leverage our knowledge and relationships for the best possible financing fit for each project. Ultimately, these projects are funded through a bundle of programs, then permanently financed in conjunction with a bank. We maintain a vast amount of current information on the types of financing programs the state is offering, particularly to small businesses.

Our financing and business recruitment/expansion role is a good example of the relational nature of economic development. To be successful, you must have strong relationships with all these agencies, including personal contacts and regular communication.

One Stop Information and Resource Center

Businesses seeking to relocate, site selectors, government agencies, and residents need one central resource for information about the county, from demographics to utility information, to financing criteria. Professionals want one place where they can obtain reliable information and where they can obtain it quickly. Probably the thing we do most often is provide and distribute accurate information.

The best example of this function is the role The Authority played during the Covid pandemic. We did, in fact, **serve as the one stop center for information** for the Chambers of Commerce, the general business public, local governments, and other local, regional and state agencies. **We had a working group of 40+ that met by zoom weekly, with high level representatives of the state and federal government** participating to provide the latest information on what types of assistance were going to be available and to whom. Once the information was distributed, we assisted businesses directly in filing applications and determining which program was best suited for their needs. Once we provided information to organizations such as the three Chambers of Commerce, they, in turn, distributed the information to their membership.

We continue this practice today and provide this information and quarterly updates across our website. State funding matrices are posted so businesses can find this assistance with one click.

During this time, the County qualified for a lump sum from the US Dept. of Housing and Urban Development of **over \$780,000 to assist businesses** to remain sustainable during the crisis. The Authority's economic development team designed a grant program, including regulations, application materials, and review criteria that ultimately helped 80 businesses. Many would have closed, not met payroll, or be burdened with debt but for our assistance. We worked directly with each of these businesses to leverage these grants into any additional funds for which they qualified. **All these funds were distributed within a one- year timeframe.**

We also get weekly calls for assistance in finding and interpreting demographic and workforce information that is needed for various purposes. For example, a manufacturer in Millville needed information to complete an in-house analysis of turnover within the labor force. We were able to utilize one of the software programs we maintain to develop a customized report for them that allowed comparisons across many sectors. We maintain real time data on our website so that companies can access it quickly, and site selectors can quickly determine if our area is a fit for their clients. To this end, we utilize CoStar and Jobs EQ software as well as IMPACT, a service that automatically updates jobs and economic information quarterly, on our website.

Project Facilitation, Revitalization and Land Assembly

Often times our role in a municipal redevelopment project is in assembling the land for the project and/or aligning the financing, including using our own bonding capacity rather than impacting the municipal capacity. We did this in varying degrees with the Complete Care Downtown Redevelopment projects in both Bridgeton and Millville.

In downtown Bridgeton, we acquired multiple parcels necessary for the building of a 30,000 sf new headquarters. We obtained NJDEP Brownfields funding for a contaminated property as part of the project. We also managed the remediation and financing of the development and construction of this project which **represented an investment of \$11 million.**

In downtown Millville, we were responsible for obtaining the property for both the building and the parking areas and then turning the property over to the owner for the construction phase.

In the City of Vineland, The Authority partnered with the city to purchase 300 acres of vacant land in the southeast quadrant of the city for future industrial development. In a quick turnaround, the **property was bought and became the new headquarters for Northeast Precast, with ongoing investment upwards of \$50 million and to date approximately 400 jobs. This is also the location of the newly developed Trout (Tiger Woods) National Golf Course (\$200 million).**

Much of our construction management work has been on the RCSJ-Cumberland campus, including the construction of the Workforce and Economic Development building, the **Rowan Medicine building, and the Manufacturing Innovation Lab (the MILL).** We have also coordinated numerous upgrades to laboratories, computer and engineering classroom, roof replacement and HVAC upgrades.

We similarly have coordinated HVAC and other upgrades to aging school infrastructure in Vineland and Bridgeton. Our coordination and facilitation enables more of the funding for these projects to be dedicated to actual construction/rehab.

The Authority completes an annual Impact Analysis of all of the projects that have been completed. In 2023, this analysis demonstrated **an economic impact of our projects**

of \$241,231,066 and over \$1 billion since assuming leadership of economic development in 2015.

Financing:

The Authority assists businesses directly in identifying potential funding sources for business expansions. **Through our long-term contacts at state offices such as NJEDA, NJHFA, and NJ Community Capital, we arrange meetings in our headquarters with the state representatives so the projects can be introduced and thoroughly vetted.** We follow up once the applications are submitted right through final disbursement of funds.

For our municipal partners, we have helped design projects and apply for USEDA funding for large scale projects such as industrial park development and construction of the **Food Innovation and Food Specialization Centers**. We have also been involved in **transportation funding applications and land assembly** for the same.

In a similar fashion, when designing public projects with municipal partners, we can utilize our **bonding capacity to directly finance projects (Vineland Police Headquarters) and then lease-back the facility to pay the bonds.**

This structure eliminates the down payment requirement, preserves the municipal bond ratings and utilizes our state authorized redevelopment powers to transfer property for \$1 after debt service is satisfied.

Shared Services Coordination

Each year the level of taxpayer dollars saved through shared services increases. The level for this year is shown below:

REALIZED COUNTY SAVINGS/CCIA CONTRIBUTION	\$ County
County Contribution	\$ 793,947
Health Department Contribution	98,000
78-80 Atlantic Street Parking Lot (County Jail)	22,500
Deerfield Host Community Benefit	588,000
Trash Removal/Derelict Building/Rental/E-Waste/Single Stream *	1,138,242
RCSJ Facilities Management & Capital Planning	1,090,627
Economic Development: Admin, Marketing, PR/Conference, Gen'l	630,824
Fleet Maintenance	226,365
Rental Savings/Lease Properties *	198,074
TOTAL COUNTY BENEFIT	4,786,579
<i>*Estimated Value</i>	

Marketing/Branding:

A long-term objective of our economic development program has been to tell the *real* story of Cumberland County. To go beyond the graphics and statistics and the commonplace descriptions of distress, and change the narrative to highlight the innovation, resilience and success stories within the county.

The Authority itself changed its branding, logo, and tagline when the new administration building was complete to provide a more business friendly, professional appearance that matched the state of the art character of the building. **We wanted the private sector to feel comfortable and confident in our abilities and professionalism.**

In the same way, we have worked to market the county in new and more technical ways. We produced a 7- minute video, posted on a YouTube channel, that highlights innovation across the county. This video has been reduced to a 3 minute and 30 second version for use in advertising. **The video is available in a touch screen mailer for serious inquiries.**

We have produced high quality brochures on the Opportunity Zones and Strategic Plan and address each of the Chambers every year. The Authority is asked to present at numerous events sponsored by the Chamber of Commerce of SJ and the Southern NJ Development Council. Each is an opportunity to push the positive narrative of innovation, growth, and prosperity in Cumberland County.

Strategic Plan:

In 2020 we began a strategic planning process that resulted in the adoption of a new **Strategic Plan that highlighted five goals focused on excellence, innovation, and tradition**. Despite the pandemic, the plan was developed by a core group of stakeholders and adopted by the County Economic Development Board, looking ahead to recovery and new growth. This plan is shared with serious prospects and serves as a guidepost for decision-making and is a general requirement for many grants.



In addition to developing a strategic economic development plan for the county, The Authority obtained grant funding to provide a Center City Redevelopment Plan for the City of Millville and a Riverfront Redevelopment Plan for the City of Bridgeton.

Public Policy and Advocacy

Regulation is a large part of the business cycle for companies in New Jersey. It is critical for The Authority to stay abreast of the latest changes in the regulatory atmosphere and to advocate for our businesses when necessary. Three examples demonstrate this part of our economic development program:

- Atlantic City electric infrastructure upgrades: **The Authority took legal action to force ACE to invest** in a timely manner in the infrastructure necessary to accommodate new and expanding industries in the county
- NJ State Plan Revision: This statewide land use plan will control the resources and permitting of projects in each section of the state. **It is critical we provide input into where development should be permitted to take place.**
- Broadband : We have consistently lobbied for and obtained grant funding for the **expansion of broadband to underserved portions of the county** through a ‘Middle Mile’ fiber optic loop with adjoining Salem County;

Conclusion:

The Authority has adopted a multi-faceted approach to economic development in Cumberland County. The integrated components of that program have been outlined in this document and the regional impact of our program recounted. Our goal is to make both public and private projects work – to get them designed, constructed and contributing to regional economy.

With one of the fastest Covid recoveries in the state, Cumberland is growing at an unprecedented pace, with over 2.2 million square feet of projects in que for future construction, generating 374 jobs. Completed projects have generated an increase in the county’s ratable base of an incredible **\$1.2 billion over the past year.** Jobs have rebounded to pre-Covid levels. **Median income has grown by just under 20%.** Major investments in the hundreds of millions of dollars are being constructed on both ends of the county – **Trout National- The Reserve in east Vineland and Sika Concrete in Upper Deerfield. Significant investment in Millville Executive Airport and Industrial Park is underway.**

However, economic development is much more than projects, construction, and growth. **Economic development is founded on relationships and partnerships that form the very foundation of the bricks and mortar projects that are much more visible.** This is perhaps the strongest asset The Authority brings to the economic development arena. **Staff are intricately connected to the agencies, organizations, and people in leadership positions to enable Cumberland to be on the receiving end of financing programs (679 businesses assisted with state funds during Covid),** policy advances, innovative initiatives, and statewide site selection proposals.