

OCEAN CITY MASTER PLAN

ECONOMIC DEVELOPMENT ELEMENT



MAY 2017

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Executive Summary

Coastal and waterfront communities have a distinctive sense of place created by their history, as well as by their characteristic sights, sounds, and smells. On the coast the salty taste of ocean air, water, beaches, and other natural features—all come together to shape our sense of these special places. Living near the water has historically been, and is expected to remain, desirable. Coastal counties, which cover less than 17 percent of the land area in the United States, are home to about 52 percent of the population and are expected to continue to grow.¹ The ways in which cities, towns, and neighborhoods along the water handle the development pressures they face will affect their environment, economy, and quality of life for decades to come.

Ocean City offers residents and visitors amenities, attractions and activities that most towns would be envious of – a family-friendly community with clean beaches, an oceanside boardwalk, hundreds of shop and restaurants. Tourism is extremely beneficial to the local, regional and State economies. According to a 2015 report prepared by Tourism Economics, “the tourism industry directly supported 318,330 jobs in New Jersey and sustained more than 512,000 jobs including indirect and induced impacts” and “The tourism sector generated \$37.3 billion of state GDP in 2015, representing 6.6% of the entire state economy.”²

Significant capital investment by the City in public improvements and safety enhancements in the downtown business district and the Boardwalk ensure an atmosphere that compliments the successful attractions and shopping venues in these areas. Although the City’s economy is seasonal in nature, concerted efforts to market the City’s assets and special events have extended the tourism season beyond the traditional peak months of June, July, and August.

Barrier islands, while offering incredible opportunities to residents and visitors, are particularly susceptible to coastal storms. Major coastal storms remind us of the vulnerability to flooding that some parts of the City experience especially in the lower-elevation areas. Ocean City’s downtown has experienced significant damage from coastal storms. The impacts on individual properties vary depending on the elevation of the structure, flood prevention measures and other factors.

¹ Statistic calculated by U.S. National Oceanic and Atmospheric Administration (NOAA) using U.S. Census Bureau 2007 County Population Estimates. U.S. Census Bureau, 2007. Available at U.S. Census Bureau. Population Estimates, www.census.gov/popest/estimates.php (accessed March 1, 2009). Also Woods and Poole Economics, Inc. Complete Economic and Demographic Data Source (CEDDS). 2007.

² The Economic Impact of Tourism in New Jersey, Tourism Satellite Account Calendar Year 2015.

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A companion document to this Economic Plan prepared with a NJDCA Post-Sandy Planning Grant provides recommendations to improve resilience for the central business district and 9th Street.

Introduction

An update of the City's Economic Plan is recommended in the City's Strategic Recovery Planning Report as a means to facilitate continued recovery from Superstorm Sandy and build resiliency to future storms.

This amendment to the City's Master Plan replaces the 1988 Economic Plan Element, and has been prepared in accord with the requirements of the Municipal Land Use Law NJS 40:55D-28.b(9) as follows:

An economic plan element considering all aspects of economic development and sustained economic vitality, including (a) a comparison of the types of employment expected to be provided by the economic development to be promoted with the characteristics of the labor pool resident in the municipality and nearby areas and (b) an analysis of the stability and diversity of the economic development to be promoted.

When planning for economic development, the goal is to create and maintain a strong, vibrant local economy. The economic development plan provides a comprehensive overview of the economy, and identifies potential implementation actions the City may pursue as it enacts business retention, expansion, and attraction efforts, maintains a fiscally healthy government, and makes Ocean City a better place to live, play and work.

Sandy's Economic Impacts

A lot has happened in the more than four years since Ocean City residents evacuated the island as Superstorm Sandy bore down on the Jersey Shore on Oct. 29, 2012. In economic terms, Hurricane Sandy's impact on Ocean City was severe. Estimates indicate that the City incurred approximately \$17 million in restoration and repair costs for public property and facilities. Sandy-related adjustments for individual property assessments resulted in a \$15.5 million reduction to the City's ratable base in 2013. As a result of Superstorm Sandy 29% (6,137) of the homes in Ocean City sustained "severe" or "major" damage.

Superstorm Sandy devastated many businesses in New Jersey, causing substantial commercial property damage and short-term and long-term business operations losses. All of these losses also affected the labor market, which in the month after the storm saw more than double the historically expected amount of unemployment claims filed. In addition to the physical damage Sandy caused to businesses themselves, widespread power outages resulted in inventory losses and working capital losses. Damage to public infrastructure such as roads, rail and bridges, compromised water utility systems and gas unavailability compounded those damages.

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Most Ocean City businesses damaged by the storm have since recovered. To date, the NJEDA has approved 36 grants in Ocean City, totaling over \$1.6 million. Statewide, more than 630 businesses have been approved for grants and loans totaling over \$68.7 million.

While Superstorm Sandy caused damage across all state industries, some industries -- particularly the tourism industry -- were critically affected. New Jersey's tourism industry, the State's third largest industry, contributes more than \$38 billion to the State's Gross Domestic Product and, for 2011, represented 24.5% of private sector employment. In the midst of early recovery, and in an effort to show potential tourists that Ocean City was a viable vacation option, the Chamber of Commerce, City and Tourism Development Commission developed an award-winning "Ready for Your Stay" ad campaign. In 2014, Ocean City recognized a record \$4 million in tourism-related revenues.

What is Resilience?

Comprehensive and effective adaptation planning is part of what communities do to build resilience. In coastal areas, NOAA defines resilience as "building the ability of a community to 'bounce back' after hazardous events such as hurricanes, coastal storms, and flooding—rather than simply reacting to impacts" (NOAA 2015f). Resiliency planning includes the ability to understand potential impacts and to take appropriate action before, during, and after a particular event to minimize negative effects and maintain the ability to respond to changing conditions. Resilience strategies involve evaluating and upgrading the lifeline systems infrastructure—communication, power, transit—that are essential immediately following a disaster. Resilience also involves protective infrastructure, including built systems (e.g., seawalls and breakwaters) and natural systems (e.g., salt marshes and dunes). Hybrid strategies, a combination of green and gray infrastructure strategies, may provide the most effective outcome as they balance the range of planning and engineering considerations.

Goal Statements

- To provide sufficient space and facilities in appropriate locations for residential, business, office, public, quasi-public uses and supportive infrastructure in a manner which will provide for balanced and compatible growth and development.
 - To encourage economic development through new investment and maintenance and reinvestment in existing commercial retail, amusement, accommodations and related resort activities within the City in areas suitable for such development and redevelopment.
 - To improve the quality of life for residents and visitors.
 - To foster economic development by creating an atmosphere to attract private investment for residential and commercial purposes.
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- To provide for a variety of residential and non-residential uses and to encourage the continuation and enhancement of Ocean City as a quality family resort community.

Economic Development Opportunities

The Master Plan and Zoning Ordinance designate areas within the City for commercial and residential development. Areas where commercial development is encouraged include the following zone districts:

- Central Business
- Central Business-1
- Drive-in Business
- Hospitality
- Marine Place Neighborhood Business
- Marine Village Harbor
- Neighborhood Business
- On-Boardwalk
- 34th Street Gateway

The above noted zoning districts allow for a wide range of commercial uses including retail, personal service, professional offices, medical facilities, restaurants and amusements. Taken collectively, these zoning districts comprise approximately xx acres (x% of the total land area). Approximately 95 acres are developed with commercial land uses. The City's Zoning Map can be found here - https://imageserv11.team-logic.com/mediaLibrary/242/Zoning_Map_rev_8_31_16.pdf.

Past Initiatives

Below is a listing of completed public projects that enhance business opportunities and economic development in the City:

- Route 52 Causeway reconstruction
- 9th Street (from Bay to West Avenue) streetscape and traffic lights
- Asbury Avenue streetscape including lighting, crosswalks and utilities
- Wayfinding sign program
- Boardwalk reconstruction

Current and on-going initiatives and projects that will improve business prospects in the City are described in the *Sustainability and Capital Planning* section of this plan.

Community Amenities and Assets

Ocean City continues to receive accolades as “America’s Favorite Family Resort” from many groups and organizations who evaluate communities across the country, including the following.

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A complete list of awards can be found at <http://www.oceancityvacation.com/about-the-island/awards.html>.

- Best Beach in America by Coastal Living Magazine in 2016
- New Jersey's Favorite Beach in 2016 in NJ Sea Grant Consortium's
- Best Beach by Philly.com in 2016
- Best Beach in New Jersey Monthly's Shore Town Showdown in 2016
- "25 Best Family Beach Vacations on the East Coast" by Vacation Idea Magazine in 2016
- "Top Ten Christmas Towns in New Jersey" in 2015 by OnlyInYourState.com
- State of New Jersey's "Complete Streets Excellence Award" in 2015
- Top 5 Best Places for Women-Owned Businesses in 2015 by NerdWallet
- Best Boardwalk in 2014 by New Jersey Monthly
- Forbes ranks Ocean City, NJ #3 as America's Smartest Small Town in 2014
- People's Choice Award for Favorite NJ Downtowns in 2014
- #1 City for Independent Retailers in the Nation in 2011.
- Sustainable Jersey Certified Community Award in 2009, 2010, 2011 and 2012.
- 2009 Forbes' list of Best Small Places for Business and Careers.
- 2009 Nielsen Claritas Restaurant Growth Index ranked Ocean City in the top five Cities to open new restaurants.
- Fine Living Magazine rated the Boardwalk # 4 in the Nation. Noting "Ocean City more in touch with its 19th century roots, The Ocean City Boardwalk provides a glimpse of the elegant Victorian seaside resorts that once dotted the mid-Atlantic coast".
- National League of Cities for winning the 2008 Innovation in governance Award in the category of Innovative Local Use of Clean and Sustainable Energy.
- American Heart Association named Ocean City one of the few Fit Friendly communities in the country. OCNJ was prominently mentioned in Forbes Magazine in October 2008 for receiving this honor.

While the main draw to Ocean City for many is the beach and ocean, it is recognized by residents and visitors that there are a myriad of factors that define the City's popularity. The historic downtown area and boardwalk provide unique shopping and dining experiences for thousands of visitors to the City each year. The vitality of these areas contributes to their continued success, and provides opportunities for the traditional Ocean City experience that is enjoyed by generations of families.

The bayside area provides attractive views to the water and various water related activities including fishing, boating, jet ski rentals, parasailing, and restaurants. These activities and the City Marina make the bayside a destination point for many visitors and locals.

The Ocean City business community is supported by a number of organizations interested in the City's economic health. Identification of these groups and their respective roles are discussed in the *Business Promotion* section of this plan.

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Historic Significance

Ocean City was founded in 1879 as a Christian resort community. Initial development included the Tabernacle, downtown area and residential lots. Hotels, guest houses and summer bungalows for vacationers followed. The City retains significant architectural and cultural resources many of which gained protection following adoption of the first historic ordinance in 1980. An historic district and historic preservation commission have been established to implement the *Historic Preservation Element* of the City's Master Plan.

A Historic Site Survey in 1985 identified a total of 160 buildings built between 1880 and 1890. An additional 541 buildings were constructed between 1890 and 1909. Although not within the historic district, a number of historic buildings remain within the central business district, providing nuance and visual interest to this area. These older structures, however, present considerable challenges in terms of improving resilience to future flooding.

Notable historic sites and properties in the City include:

- National Register of Historic Places –Public Transportation Center
- New Jersey Historic Site – Sindia ship wreck site
- Music Pier
- City Hall
- Boardwalk and pavilion
- U.S. Lifesaving Station No. 30

Community Profile

Population

As of the 2010 United States Census, the City's population was 11,701, reflecting a decline of 3,677 (-23.9%) from the 15,378 counted in the 2000 Census, which had in turn declined by 134 (-0.9%) from the 15,512 counted in the 1990 Census. The decline in population is not reflective of the City's vitality. In fact, this population trend in shore communities first became evident in 2000 when coastal communities experienced a 4.7% decrease. The fact that the decline in year-round population in oceanfront communities since 2000 coincides with a relatively modest increase in the total number of housing units, along with a more dramatic increase in the percent of housing units that are seasonally vacant, suggests that year-round residence is being replaced by seasonal occupancy.

Age

America is aging, and as a result, the elderly account for a larger percentage of the population every year. Approximately 12% of the current U.S. population is age 65 years and older. This figure is projected to increase to 16% by 2020 and approach 20% by 2030. These trends are evident in Ocean City. The percentage of the population 65 and over has increased from 26% in 2000 to 30% in 2010. The median age of the City's population in 2010 was 49.9 years; in 2014 it was 53.8 years. The growing number of older adults can be expected to increase and/or change

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demands on the public health system, medical and social services, community facilities, public services and consumer habits.

Income

The Census Bureau's American Community Survey showed that (in 2015 inflation-adjusted dollars) median household income in Ocean City was \$57,813 and the median family income was \$83,721. The per capita income for the City was \$42,629. About 5% of families and 9.4% of the population were below the poverty line, including 12.2% of those under age 18 and 5.1% of that age 65 or over.

Housing

Between 2000 and 2010 the region (including Ocean City) experienced losses of population and in the number of occupied housing units. Cape May County recorded a 5% reduction in population and a 2% loss in occupied housing units. Changes in Ocean City's population and housing between 1990 and 2010 are indicated in the following table. These shifts in population (-24%) are similar to other nearby shore communities including Sea Isle and Stone Harbor, and the loss of occupied housing units (-21%) is similar to Cape May City and Sea Isle. By comparison Avalon lost 38% of its population and 34% of its occupied housing between 2000 and 2010.

The percent of housing units that are used seasonally (i.e., summer vacation properties) along the Atlantic oceanfront has increased dramatically since 2000, from 26.7 percent of the total housing stock in 2000 to 31.4 percent in 2014. The percentage of housing units that were built since 2000 is higher in the coastal communities than in the state's non-coastal municipalities – 11.1 percent versus 9.6 percent; this has occurred despite these municipalities being mostly built-out.

Average residential values (including all properties, whether year-round or seasonal) are much higher in the oceanfront municipalities and have been increasing faster. As of 2014, the median oceanfront municipality now has an average residential value of \$589,650, double the average value of \$295,167 in the median non-coastal municipality. The median value of owner-occupied housing in Ocean City in 2015 was \$575,500.

A review of building permits provides the following information regarding the characteristics of new single-family home construction in Ocean City from 1997 to 2014. Of particular interest is the marked increase in new construction in 2013 and 2014 in the aftermath of Hurricane Sandy.

- 1997: 45 buildings, average cost: \$82,000
- 1998: 52 buildings, average cost: \$91,100
- 1999: 66 buildings, average cost: \$97,200
- 2000: 95 buildings, average cost: \$146,700
- 2001: 60 buildings, average cost: \$257,700
- 2002: 89 buildings, average cost: \$256,800
- 2003: 96 buildings, average cost: \$270,600

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- 2004: 117 buildings, average cost: \$267,900
- 2005: 154 buildings, average cost: \$298,200
- 2006: 81 buildings, average cost: \$413,900
- 2007: 65 buildings, average cost: \$336,200
- 2008: 52 buildings, average cost: \$390,800
- 2009: 26 buildings, average cost: \$447,900
- 2010: 29 buildings, average cost: \$360,100
- 2011: 35 buildings, average cost: \$401,800
- 2012: 44 buildings, average cost: \$450,200
- 2013: 100 buildings, average cost: \$297,800
- 2014: 113 buildings, average cost: \$346,800

The relationship between the aging of the population and owner-occupied housing units indicates significant decreases in owner-occupancy for the 25-34 and 35-44 age cohorts and a substantial increase in owner-occupancy for the 55-64 age group in 2010. Residential properties comprise 92% of assessed parcels in the City, and account for 93.5% of total assessed value according to the 2016 City Budget. According to tax assessment records, there are 587 commercial properties accounting for 4.3% of the City's total assessed value.

TABLE 1
Ocean City – Population and Housing

Ocean City	1990	2000	2010	2015
Population	15,512	15,378	11,701	11,470
Dwelling Units	18,880	20,298	20,871	20,204
Occupied Units	7,074	7,464	5,890	5,660
Owner-Occupied Units	3,801	2,837	3,642	3,524
Household Size	2.19	2.02	1.98	2.01
Vacant Units	11,806	12,834	14,981	14,544

Source: U.S. Census Bureau (1990, 2000, 2010), 2011-2015 American Community Survey 5-Year Estimates

Employment

As documented in the 1988 Master Plan, Ocean City's economic health depends in large part on tourism. "The City of Ocean City was founded as a shore resort community in 1879 and economic development within the City has continued to be dominated by the seasonal resort

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tourism business.”³ Despite storms, casino closures and sluggish economic growth, the proceedings at the 2016 Cape May County Tourism Conference indicate that tourism in New Jersey continues to grow.

- 2015 marks six straight years of spending and visitation growth.
- Tourism demand grew 3.3% in 2015 to reach \$43.4 billion.
- Visitation expanded 2.4%.

Good summer weather and the fading memory of Sandy helped to drive strong growth in bed tax receipts for the shore counties in the summer months, increasing by more than 8% in 2015.

Visitor spending on food, recreation and retail drove much of the spending growth with lower gas prices freeing up travel budgets.⁴

In 2015, the tourism industry directly supported 318,330 jobs in New Jersey and sustained more than 512,000 jobs including indirect and induced impacts. Including all impacts, the industry accounts for 9.9% of total employment or nearly 1-in-10 jobs in New Jersey. The tourism sector generated \$37.3 billion of state GDP in 2015, representing 6.6% of the entire state economy. Including indirect and induced impacts, tourism in New Jersey generated \$10.2 billion in government revenues last year, including \$4.7 billion in state and local tax revenues.⁵

- Tourism spans nearly a dozen sectors including lodging, recreation, retail, real estate, air passenger transport, food and beverage, car rental, taxi services, travel agents...
- Examining the Tourism industry against other private sector industries, tourism is the 7th largest employer in the State of New Jersey.
- The tourism sector directly and indirectly supported 5127,157 jobs, or 9.9% of all employment in New Jersey last year.
- Tourism generated the most employment in the restaurant, lodging, and retail sectors.⁶

Statistical data from the Census Bureau and Department of Labor provides details regarding the components of the City's economic base.

The employment data in the following tables suggests considerable diversification in the City's economy has developed in recent years. The 1988 Plan identified “retail trade”, and “real estate and related services” accounting for 42% and 30% of the City's employment, respectively. Data in the following table shows significant employment reduction in these two categories, and growth in the “educational services, and health care and social assistance” (25.7%) and “arts, entertainment, and recreation, and accommodation and food services” (14.5%) sectors. Current data indicates that “retail trade,” “professional, scientific, and management, and administrative

³ Ocean City Master Plan, February 3, 1988, Page 11-1

⁴ Cape May County Tourism Conference Report, May 4, 2016

⁵ Ibid

⁶ Ibid

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and waste management services” and “finance and insurance, and real estate and rental and leasing” account for 10.2%, 11.3% and 10.8% of the City’s labor force, respectively.

TABLE 2
2011-2015 American Community Survey 5-Year Estimates

Subject	Ocean City, New Jersey			
	Estimate	Margin of Error	Percent	Percent Margin of Error
EMPLOYMENT STATUS				
Population 16 years and over	9,990	+/-250	9,990	(X)
In labor force	5,418	+/-246	54.2%	+/-2.2
Civilian labor force	5,418	+/-246	54.2%	+/-2.2
Employed	5,028	+/-271	50.3%	+/-2.3
Unemployed	390	+/-90	3.9%	+/-0.9
Armed Forces	0	+/-19	0.0%	+/-0.3
Not in labor force	4,572	+/-260	45.8%	+/-2.2
Civilian labor force	5,418	+/-246	5,418	(X)
Unemployment Rate	(X)	(X)	7.2%	+/-1.7
Females 16 years and over	5,336	+/-196	5,336	(X)
In labor force	2,573	+/-184	48.2%	+/-3.1
Civilian labor force	2,573	+/-184	48.2%	+/-3.1
Employed	2,339	+/-202	43.8%	+/-3.4
Own children of the householder under 6 years	538	+/-163	538	(X)
All parents in family in labor force	316	+/-148	58.7%	+/-19.1
Own children of the householder 6 to 17 years	1,133	+/-204	1,133	(X)
All parents in family in labor force	929	+/-173	82.0%	+/-6.3
COMMUTING TO WORK				
Workers 16 years and over	4,892	+/-274	4,892	(X)
Car, truck, or van -- drove alone	3,490	+/-273	71.3%	+/-4.8
Car, truck, or van -- carpooled	300	+/-137	6.1%	+/-2.7
Public transportation (excluding taxicab)	109	+/-62	2.2%	+/-1.2
Walked	362	+/-164	7.4%	+/-3.2
Other means	372	+/-190	7.6%	+/-3.9
Worked at home	259	+/-79	5.3%	+/-1.6
Mean travel time to work (minutes)	27.5	+/-2.4	(X)	(X)
OCCUPATION				
Civilian employed population 16 years and over	5,028	+/-271	5,028	(X)
Management, business, science, and arts	2,356	+/-251	46.9%	+/-4.7

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occupations				
Service occupations	959	+/-205	19.1%	+/-3.6
Sales and office occupations	1,090	+/-197	21.7%	+/-3.9
Natural resources, construction, and maintenance occupations	402	+/-139	8.0%	+/-2.7
Production, transportation, and material moving occupations	221	+/-101	4.4%	+/-2.0
INDUSTRY				
Civilian employed population 16 years and over	5,028	+/-271	5,028	(X)
Agriculture, forestry, fishing and hunting, and mining	13	+/-20	0.3%	+/-0.4
Construction	396	+/-142	7.9%	+/-2.8
Manufacturing	309	+/-109	6.1%	+/-2.2
Wholesale trade	132	+/-60	2.6%	+/-1.2
Retail trade	512	+/-174	10.2%	+/-3.2
Transportation and warehousing, and utilities	48	+/-27	1.0%	+/-0.5
Information	94	+/-54	1.9%	+/-1.1
Finance and insurance, and real estate and rental and leasing	541	+/-143	10.8%	+/-3.0
Professional, scientific, and management, and administrative and waste management services	569	+/-135	11.3%	+/-2.6
Educational services, and health care and social assistance	1,290	+/-178	25.7%	+/-3.5
Arts, entertainment, and recreation, and accommodation and food services	729	+/-172	14.5%	+/-3.2
Other services, except public administration	209	+/-106	4.2%	+/-2.1
Public administration	186	+/-83	3.7%	+/-1.6
CLASS OF WORKER				
Civilian employed population 16 years and over	5,028	+/-271	5,028	(X)
Private wage and salary workers	3,825	+/-251	76.1%	+/-3.9
Government workers	798	+/-153	15.9%	+/-2.8
Self-employed in own not incorporated business workers	387	+/-123	7.7%	+/-2.3
Unpaid family workers	18	+/-21	0.4%	+/-0.4
INCOME AND BENEFITS (IN 2015 INFLATION-ADJUSTED DOLLARS)				
Total households	5,660	+/-275	5,660	(X)
Less than \$10,000	244	+/-75	4.3%	+/-1.3
\$10,000 to \$14,999	323	+/-115	5.7%	+/-1.9
\$15,000 to \$24,999	683	+/-155	12.1%	+/-2.6
\$25,000 to \$34,999	452	+/-130	8.0%	+/-2.3
\$35,000 to \$49,999	845	+/-178	14.9%	+/-2.9
\$50,000 to \$74,999	876	+/-160	15.5%	+/-2.6
\$75,000 to \$99,999	564	+/-101	10.0%	+/-1.8
\$100,000 to \$149,999	826	+/-147	14.6%	+/-2.6

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\$150,000 to \$199,999	377	+/-105	6.7%	+/-1.8
\$200,000 or more	470	+/-95	8.3%	+/-1.7
Median household income (dollars)	57,813	+/-5,000	(X)	(X)
Mean household income (dollars)	85,998	+/-6,392	(X)	(X)
With earnings	3,844	+/-202	67.9%	+/-2.6
Mean earnings (dollars)	81,193	+/-7,414	(X)	(X)
With Social Security	2,437	+/-209	43.1%	+/-2.9
Mean Social Security income (dollars)	21,892	+/-980	(X)	(X)
With retirement income	1,484	+/-188	26.2%	+/-3.1
Mean retirement income (dollars)	32,236	+/-3,535	(X)	(X)
With Supplemental Security Income	238	+/-84	4.2%	+/-1.4
Mean Supplemental Security Income (dollars)	7,892	+/-1,513	(X)	(X)
With cash public assistance income	72	+/-35	1.3%	+/-0.6
Mean cash public assistance income (dollars)	3,858	+/-2,098	(X)	(X)
With Food Stamp/SNAP benefits in the past 12 months	395	+/-130	7.0%	+/-2.4
Families	3,196	+/-173	3,196	(X)
Less than \$10,000	64	+/-44	2.0%	+/-1.3
\$10,000 to \$14,999	52	+/-37	1.6%	+/-1.1
\$15,000 to \$24,999	157	+/-81	4.9%	+/-2.5
\$25,000 to \$34,999	289	+/-109	9.0%	+/-3.5
\$35,000 to \$49,999	418	+/-111	13.1%	+/-3.4
\$50,000 to \$74,999	455	+/-116	14.2%	+/-3.4
\$75,000 to \$99,999	428	+/-96	13.4%	+/-2.9
\$100,000 to \$149,999	672	+/-121	21.0%	+/-3.5
\$150,000 to \$199,999	260	+/-88	8.1%	+/-2.7
\$200,000 or more	401	+/-88	12.5%	+/-2.7
Median family income (dollars)	83,721	+/-7,007	(X)	(X)
Mean family income (dollars)	108,603	+/-8,738	(X)	(X)
Per capita income (dollars)	42,629	+/-3,050	(X)	(X)
Nonfamily households	2,464	+/-290	2,464	(X)
Median nonfamily income (dollars)	36,587	+/-5,753	(X)	(X)
Mean nonfamily income (dollars)	56,119	+/-6,075	(X)	(X)
Median earnings for workers (dollars)	32,378	+/-4,111	(X)	(X)
Median earnings for male full-time, year-round workers (dollars)	62,708	+/-17,685	(X)	(X)
Median earnings for female full-time, year-round workers (dollars)	51,959	+/-6,657	(X)	(X)
HEALTH INSURANCE COVERAGE				
Civilian noninstitutionalized population	11,408	+/-39	11,408	(X)
With health insurance coverage	10,295	+/-379	90.2%	+/-3.3
With private health insurance	8,693	+/-447	76.2%	+/-3.9
With public coverage	4,673	+/-338	41.0%	+/-3.0

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No health insurance coverage	1,113	+/-381	9.8%	+/-3.3
Civilian noninstitutionalized population under 18 years	1,781	+/-251	1,781	(X)
No health insurance coverage	110	+/-148	6.2%	+/-8.0
Civilian noninstitutionalized population 18 to 64 years	6,129	+/-257	6,129	(X)
In labor force:	4,772	+/-252	4,772	(X)
Employed:	4,442	+/-261	4,442	(X)
With health insurance coverage	3,727	+/-231	83.9%	+/-4.6
With private health insurance	3,615	+/-229	81.4%	+/-4.4
With public coverage	317	+/-101	7.1%	+/-2.2
No health insurance coverage	715	+/-222	16.1%	+/-4.6
Unemployed:	330	+/-96	330	(X)
With health insurance coverage	212	+/-67	64.2%	+/-18.3
With private health insurance	158	+/-56	47.9%	+/-16.1
With public coverage	54	+/-37	16.4%	+/-10.9
No health insurance coverage	118	+/-78	35.8%	+/-18.3
Not in labor force:	1,357	+/-194	1,357	(X)
With health insurance coverage	1,187	+/-174	87.5%	+/-7.4
With private health insurance	914	+/-152	67.4%	+/-8.1
With public coverage	364	+/-103	26.8%	+/-6.5
No health insurance coverage	170	+/-110	12.5%	+/-7.4
PERCENTAGE OF FAMILIES AND PEOPLE WHOSE INCOME IN THE PAST 12 MONTHS IS BELOW THE POVERTY LEVEL				
All families	(X)	(X)	5.1%	+/-2.2
With related children of the householder under 18 years	(X)	(X)	11.5%	+/-6.4
With related children of the householder under 5 years only	(X)	(X)	19.4%	+/-18.7
Married couple families	(X)	(X)	2.3%	+/-1.6
With related children of the householder under 18 years	(X)	(X)	4.6%	+/-5.3
With related children of the householder under 5 years only	(X)	(X)	22.8%	+/-23.6
Families with female householder, no husband present	(X)	(X)	19.9%	+/-10.9
With related children of the householder under 18 years	(X)	(X)	30.3%	+/-17.1
With related children of the householder under 5 years only	(X)	(X)	100.0%	+/-100.0
All people	(X)	(X)	9.4%	+/-2.2
Under 18 years	(X)	(X)	12.2%	+/-6.7
Related children of the householder under 18 years	(X)	(X)	12.2%	+/-6.7
Related children of the householder under 5 years	(X)	(X)	19.1%	+/-11.5
Related children of the householder 5	(X)	(X)	9.7%	+/-8.0

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to 17 years				
18 years and over	(X)	(X)	8.8%	+/-2.0
18 to 64 years	(X)	(X)	10.9%	+/-2.8
65 years and over	(X)	(X)	5.1%	+/-1.9
People in families	(X)	(X)	6.0%	+/-2.8
Unrelated individuals 15 years and over	(X)	(X)	19.2%	+/-5.1

Source: American Community Survey (ACS) - DP03: SELECTED ECONOMIC CHARACTERISTICS

Local Business Patterns and Employment

The following table provides business data for Ocean City for years 2006-2014. For these nine years, the City's business sector exhibits remarkable stability in terms of payroll, number of businesses and employees. The data in this table is consistent with information from the City's 2016 tax assessment records the number of parcels classified as 4A (commercial use).

TABLE 3
Ocean City Business Trends

Year	Number of Establishments	Paid Employees	1 st Quarter Payroll	Annual Payroll
2006	654	3,300	\$24,457	\$117,062
2007	640	3,189	\$22,309	\$110,792
2008	621	3,162	\$22,260	\$109,941
2009	604	2,880	\$20,169	\$104,716
2010	595	2,828	\$18,900	\$101,845
2011	584	2,892	\$19,404	\$105,013
2012	576	2,735	\$20,114	\$107,528
2013	568	2,837	\$20,815	\$110,700
2014	569	3,092	\$20,874	\$114,886
<i>Median</i>	<i>601</i>	<i>2,990</i>	<i>\$21,034</i>	<i>\$109,165</i>

Source: American Factfinder – Zip Code Business Statistics

The following table contains a quarterly count of employment and wages reported by employers for Ocean City in the second quarter of 2015. In the private sector, the largest number of employees are in the accommodations/food (25%), health/social (17%), and retail trade (17%).

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TABLE 4

Quarterly Census of Employment and Wages (QCEW)

<u>Description</u>	<u>Average Units</u>	<u>Employment</u>					<u>Wages</u>		
		<u>March</u>	<u>June</u>	<u>September</u>	<u>December</u>	<u>Average</u>	<u>Total</u>	<u>Annual</u>	<u>Weekly</u>
FEDERAL GOV'T TOTALS	2	47	44	44	47	45	\$2,681,852	\$59,377	\$1,142
LOCAL GOV'T TOTALS	4	817	1,185	1,156	877	965	\$55,874,133	\$57,876	\$1,113
LOCAL GOV'T EDUCATION	1	385	414	357	400	346	\$24,272,210	\$70,185	\$1,350
Construction	48	226	250	223	227	232	\$10,369,827	\$44,698	\$860
Manufacturing	17	71	220	197	90	143	\$3,242,528	\$22,728	\$437
Wholesale Trade	6	23	33	32	25	28	\$551,834	\$19,592	\$377
Retail Trade	97	549	1,042	877	639	776	\$20,115,993	\$25,920	\$498
Information	5	30	33	30	31	31	\$1,094,281	\$35,299	\$679
Finance/Insurance	30	389	273	257	259	294	\$21,492,661	\$73,187	\$1,407
Real Estate	43	178	257	244	187	213	\$6,937,221	\$32,544	\$626
Professional/Technical	40	175	191	185	184	183	\$8,714,990	\$47,666	\$917
Admin/Waste Remediation	20	92	138	131	107	113	\$2,989,304	\$26,376	\$507
Education	6	29	37	38	30	36	\$434,161	\$12,230	\$235
Health/Social	29	785	804	789	758	786	\$20,625,613	\$26,239	\$505
Arts/Entertainment	17	41	462	351	63	231	\$5,044,368	\$21,821	\$420
Accommodations/Food	112	407	1,906	1,532	626	1,125	\$21,088,161	\$18,744	\$360
Other Services	51	213	264	246	222	239	\$6,617,166	\$27,677	\$532
Unclassifieds	17	36	34	29	26	27	\$914,258	\$33,449	\$643
PRIVATE SECTOR TOTALS	549	3,276	5,990	5,207	3,518	4,501	\$131,828,477	\$29,289	\$563

Source: US Department of Labor, Bureau of Labor Statistics, ANNUAL MUNICIPAL DATA BY SECTOR - 2015

Sustainability and Capital Planning

Across New Jersey, hundreds of towns are now working on sustainability programs to help the environment and their bottom lines. Efforts to curb carbon emissions, protect natural resources and reduce waste are happening at the local level. Through voluntary programs, communities are implementing solar power and wind turbine projects, rain capture and reuse efforts, new walking and biking programs, building and operating community food gardens, launching community outreach programs on recycling and energy, and dozens of other initiatives.

Ocean City is one of only 25 New Jersey towns that are Sustainable Jersey certified at the *silver level*. Ocean City was certified on October 11, 2016 with 430 points. To become Sustainable

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Jersey certified, the City completed a rigorous program of sustainability actions including creating a green team and completion of five priority actions: 1) a fleet inventory, 2) municipal carbon footprint, 3) sustainable land use pledge, 4) natural resource inventory, and 5) prescription drug safety and disposal. Ocean City was credited with such initiatives as solar panels on top of several city facilities, experimenting with low-speed alternative fuel vehicles, holding a green fair, promoting a farmers market, and participating in a Safe Routes to Schools program.

Capital improvements often represent the most significant investments made by communities. Coastal communities in particular must plan for not just growth and future development, but also for infrastructure degradation due to sea level rise, extreme weather events, and other climate hazards. The Capital Plan is Ocean City's financing and implementation plan for the construction and renovation of the City's infrastructure. This plan includes paving and drainage, dredging, beach, boardwalk, public building and properties, public areas, large equipment and vehicles, departmental equipment, communications, and intermodal, transportation, and parking infrastructure. The Capital Plan is structured as a five-year plan for the City (2017-2021).

Ocean City in recent years has committed an unprecedented level of funding to completing long-neglected projects. The city proposes to spend more than \$112 million over the next five years to improve every part of island from the beach and boardwalk to the bay. Refer to the following link for detailed information regarding the capital projects listed below -

<http://www.ocnj.us/projects/>.

- Roads and drainage
- Beach
- Bayside dredging
- Boardwalk
 - Boardwalk pavilions
 - 14th Street and 19th Street Boardwalk Ramps
- Parks and Public Facilities
 - 29th Street Firehouse
 - Pickleball Courts
 - Restoration of Historic Transportation Center
 - Historic US Lifesaving Station
 - On-street Bike Racks
 - Aquatic and Fitness Center Pool Painting
 - Downtown Streetscape Improvements
 - Community Center Improvements
 - City Hall Plumbing Improvements
 - New Police Station and Municipal Court
 - Bayside Center Improvements

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- Civic Center Roof
- 34th Street Recreation Building
- Construction of Salt Storage Facility

Neighborhood and Community Revitalization Programs

Community Revitalization Program

The State has implemented a Neighborhood and Community Revitalization Program (NCR), funded with \$75 million in Community Development Block Grant (CDBG) Disaster Recovery funds, that incorporates three separate initiatives.

First, the Streetscape Revitalization Grant Program, to which the State has allocated \$10 million of NCR funds, offers grants to commercial corridors in the most impacted towns and cities throughout the State. Second, the State set aside \$2.5 million of NCR funds for Community Development Financial Institutions (CDFIs) to support micro-lending for businesses. Lastly, the remainder of NCR funding is directed to support large economic revitalization projects through the Development and Improvement Program.

The Neighborhood and Community Revitalization Program supports projects located throughout the state, with a focus on the nine most Sandy impacted counties of Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean, and Union, as defined by the federal government.

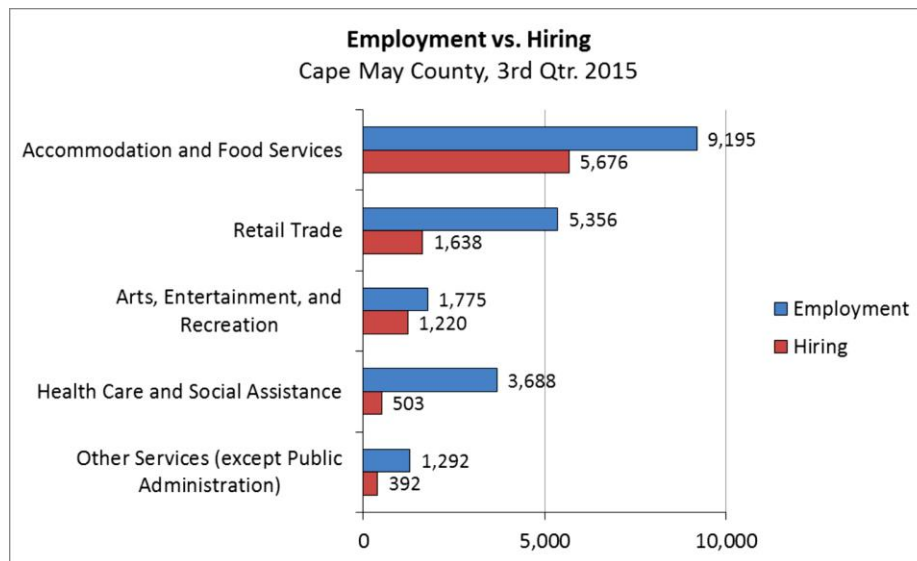
For more information about the Neighborhood and Community Revitalization Program, please visit the [NJDEA website](#).

Workforce Development

Due to the high concentration of seasonal resorts along the county's coastline, accommodation and food services experienced the most hiring (5,676 new hires) in Cape May County during the 3rd quarter of 2015. These data represent individuals who started working for an employer that they had not worked for in any other quarter over the past year and is important to consider because industries may have many job opportunities available due to turnover regardless of the growth rate projected for that industry. The following graph depicts total jobs and new hires in Cape May County, by employment sector.

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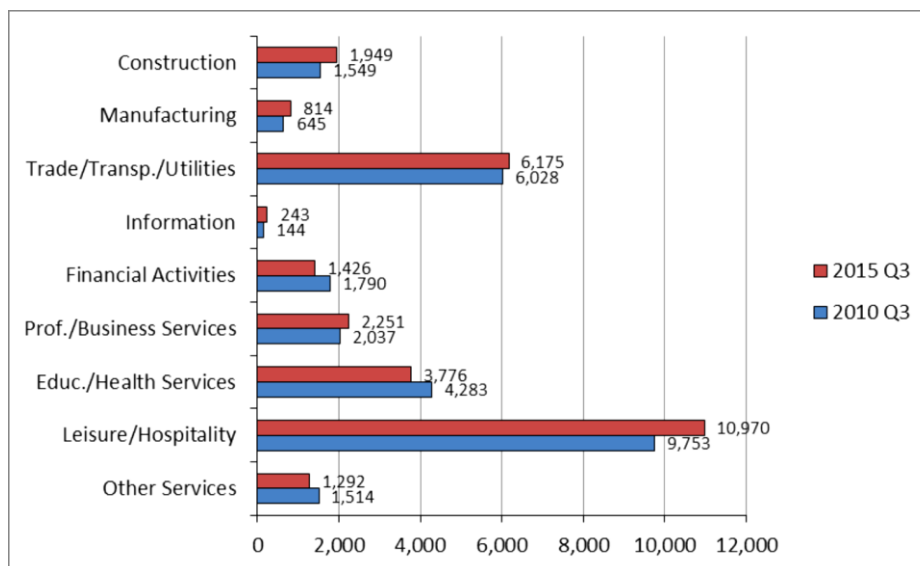
EXHIBIT 1 Cape May County Employment



Source: U.S. Census Bureau, Center for Economic Studies, LEHD, Employment and hiring during the 3rd Quarter of 2015

Cape May County's private sector employment totaled 29,104 in the 3rd quarter of 2015. Leisure and hospitality added the most jobs between the 3rd quarters, 2010 and 2015(+1,217). Estimate of stable jobs, i.e., the number of jobs that are held on both the first and last day of the quarter with the same employer. This information helps explain which private sector industries dominate the local economy and provide the largest numbers of jobs both full and part-time, overall.

EXHIBIT 2 Cape May County Employment



Source: U.S. Census Bureau, Center for Economic Studies, LEHD, 3rd Quarter 2010 and 3rd Quarter 2015 employment

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Employment in Cape May County is expected to remain relatively flat from 2014 to 2024, adding 1,445 jobs over the period. Healthcare and social services (+528), construction (+526), and retail trade (+487) are projected to post the largest employment gains during the period. The county's payrolls are projected to grow significantly less than the state (3.4% vs. 6.5%, respectively) over the same period.

Industry employment projections for all nonfarm jobs are valuable data for identifying the potential future employment growth or decline of industries within the county. The industry employment projections use the nonfarm wage salary employment definition of employment. The primary data input is an employment time series, by industry, which goes back to 1990. Employment refers to jobs, both full and part-time, not the number of employed persons.

EXHIBIT 3 Cape May County Employment Projections

Cape May County, 2014-2024 Projected Employment Change					
Industry Title (Two Digit NAICS)	2014 Jobs	2024 Jobs	Change 2014-2024		
			Number	Total	Percent Annual
Total All Industries	41,910	43,355	1,445	3.4	0.3
Healthcare and Social Services	5,070	5,598	528	10.4	1.0
Construction	2,165	2,691	526	24.3	2.2
Retail Trade	6,767	7,254	487	7.2	0.7
Professional, Scientific, and Technical Services	1,081	1,274	193	17.9	1.7
Accommodation and Food Services	9,210	9,369	159	1.7	0.2
Arts, Entertainment, and Recreation	1,762	1,919	157	8.9	0.9
Administrative and Waste Services	1,003	1,112	109	10.9	1.0
Real Estate and Rental and Leasing	859	917	58	6.8	0.7
Other Services	1,875	1,904	29	1.5	0.2
Transportation and Warehousing	271	291	20	7.4	0.7
Management of Companies and Enterprises	257	273	16	6.2	0.6
Wholesale Trade	373	387	14	3.8	0.4
Finance and Insurance	1,122	1,133	11	1.0	0.1
Utilities	146	152	6	4.1	0.4
Natural Resources and Mining	45	37	-8	-17.8	-1.9
Manufacturing	759	693	-66	-8.7	-0.9
Information	245	174	-71	-29.0	-3.4
Educational Services	3,176	2,958	-218	-6.9	-0.7
Government	5,724	5,219	-505	-8.8	-0.9
Note: Total nonfarm employment excludes self-employed and unpaid family workers.					
Percent Changes are based on unrounded data - Source: New Jersey Department of Labor and Workforce Development					

Source: NJLWD, Industry and Occupational Employment Projections 2014 - 2024.

Business Promotion

Ocean City Chamber of Commerce - The Ocean City Regional Chamber of Commerce works to stimulate trade and create a prosperous climate for business growth and development in the Greater Ocean City area. The Chamber helps over 500 member businesses generate business,

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maintain visibility, create contacts, and grow. The Chamber also serves as an information hub for year-round residents and visitors. A full-time team answers over 35,000 telephone inquiries per year and refers consumers to Chamber members ... all in an effort to keep Ocean City New Jersey one of the top-rated shore towns in the country. The Chamber assists in marketing downtown businesses, and is also active in tracking legislation and other items important to the business community.

Ocean City Hospitality Association (OCHA) – The OCHA maintains a website that enables potential visitors to check availability calendars on-line of over 30 Ocean City hotels, motels and bed and breakfasts.

Ocean City Restaurant Association – The OCRA maintains a website that contains detailed information related to the incredible array of eating and dining establishments in the City.

Boardwalk Merchants Association - The Boardwalk Merchants will continue themed promotions such as the weekly Family Nights, Mummers Nights and Character Nights.

Downtown Merchants Association - Two downtown business groups — the Retail Merchants Association and Main Street Ocean City merged into a single organization called the Downtown Merchants Association. This new group will focus more directly on marketing downtown businesses and work collaboratively with other groups in town. There are over 100 shops and cafes in *Downtown Ocean City*, located midway between the beach and bay along Asbury Avenue from 6th to 14th streets.

Tourist Development Commission - The Ocean City Tourist Development Commission was created in 1993 to promote tourism on behalf of the City through assisting the City with appropriate advertising and promotional literature. Funding to support these activities is derived from an assessment on mercantile licenses. The Commission is also authorized pursuant to apply for, receive and accept contributions or donations of money, property, labor or other thing of value to be used for the Commission's authorized purposes; and make grants of money, property or personal services to any person, business or organization engaged in the tourist industry.

Special Improvement Districts

The Improvement District (whether business, or special, or downtown or some other name) is a model for management of the municipality's commercial corridor. It is authorized by state law (the Pedestrian Mall and Special Improvement District Act, N.J.S.A. 40:56-65, et seq.) to be formed by ordinance in any municipality in New Jersey. The Improvement District provides a mechanism for the businesses and property owners of a community to organize as a single entity, to raise funds for activities that *enhance* or *expand upon* municipal services and to manage themselves to become a more effective destination for commerce.

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The State provides ad hoc technical assistance and support to communities already having created Improvement Districts that are being managed by a District Management Corporation, as well as assistance to communities seeking to explore the implementation of an Improvement District. As resources allow, the State also manages the Downtown Business Improvement Zone Loan Fund and two Improvement District Challenge Grant programs.

Ocean City has created Improvement Districts and assigned an entity to manage the resulting assessments and to provide enhanced services to those commercial businesses and properties in the defined District. Ocean City's Special Improvement Districts include the retail section of the Ocean City Boardwalk, the downtown section of Asbury Avenue and the gateway section of Ninth Street. Assessments on the businesses in the district are supplemented by an appropriation from the City to provide social media marketing, help plan events, beautification and promoting special events.

Recommendations

Based on review of the initiatives and programs contributing to the City's economy, multiple efforts appear necessary to maintain a healthy environment for business success. This is especially true in Ocean City where many of the businesses are seasonal in nature and dependent upon tourism.

Marketing – Maintenance and redevelopment of the City's central business district is supported by physical improvements. The City also provides funds for a marketing campaign to attract tourists. Marketing videos, press releases and newsletters are regularly produced by the Ocean City Chamber of Commerce to showcase various redevelopment successes to the general public and development community. These efforts have demonstrated their value to the community and should be continued.

Funding – The City may consider creation of development incentives (tax abatements, and tax increment financing) to encourage additional business activity. Within Ocean City there is a unique network of organizations that make up the *community partners*. The main objective of this group is to promote Ocean City's considerable assets as "America's Greatest Family Resort." The *community partners* should strive to make the most efficient use of their resources and talents.

Business Assistance Programs – The City may consider creating and funding business assistance programs that will help downtown businesses to attract desired uses and avoid vacant spaces. Google's "Let's Put Our Cities on the Map," is a new program designed to help local businesses get online using city-based Web resources. It aims to get cities, local organizations and small businesses working together and with Google to make the most out of Web- and

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location-based marketing. Part of the Get Your Business Online project, Let's Put Our Cities on the Map gives each city a custom website that local businesses can use to create, establish and manage their presence online, while giving back to the community by boosting local commerce. According to Google, consumers are 38 percent more likely to visit and 29 percent more likely to consider purchasing from businesses with complete listings. See more at:

<http://www.businessnewsdaily.com/7871-google-put-cities-on-the-map.html#sthash.cot52YOQ.dpuf>

Design Standards and Streetscape – A “sense of place” is a difficult product to achieve in a downtown environment such as Ocean City where a variety of architectural styles exist. ‘Community Design Guidelines’ for the Asbury Avenue business district and 9th Street were developed in 2009. This document includes street profile, and streetscape standards, allowable uses, building envelopes, building height, design of parking areas, and building encroachments such as awnings. The code also contains Architectural Standards that regulate the design of facades, roofs, walls, awnings, and signage of buildings within the Districts. The ‘Community Design Guidelines’ were not adopted but may contain standards that will assist the City in retaining its unique character as redevelopment of the downtown continues.

Public Arts Program – Public art can be a major component in creating a city’s visual image. Public art improves the visual experience and can help in making a city memorable for succeeding generations. The Community Arts Program was formed in October 2004 by a group of citizens who recognized the need for public art in Ocean City. In the past few years, CAP honored Ocean City’s vibrant surf culture with a mural on the Moorlyn Theatre on the Boardwalk; created a child’s view of the world in glass mosaics in the entrance of Ocean City High School; started a sculpture garden at the Ocean City Cultural and Arts Center and opened students’ eyes to art and the importance of leaving your mark on the world with a sculpture at the south entrance at the Ocean City Primary School. The City recognizes the importance of public art as a means of enhancing the quality of life in the community and as a means of providing professional opportunities to local and regional visual artists.

Historic Preservation Program – The downtown business district although not within the historic district contains several structures and sites that have interest from a historic and architectural viewpoint. The preservation and enhancement of such places can be beneficial to the business community. However, without any incentives to fit these structures into the future plans for the Downtown area, many will continue to deteriorate and be demolished. The City in cooperation with the Historic Commission may develop educational materials and/or financial incentives to promote the preservation of specific structures.

Capital Planning - Capital improvements often represent the most significant investments made by communities. Coastal communities in particular must plan for not just growth and future

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development, but also for infrastructure degradation due to sea level rise, extreme weather events, and other climate hazards. And while many coastal communities are facing this reality, the techniques and costs of incorporating adaptation and hazard planning into the capital planning process are unclear.

As capital improvements planning often results in projects that directly impact the built and unbuilt environments, incorporating hazards planning into the capital improvements planning process could greatly enhance a community's resilience to extreme weather and sea level rise. Standardizing and mainstreaming these techniques will benefit Ocean City as it continues with long-term adaptation.

Smart Growth - Planning with smart growth principles can help communities make efficient investments in buildings and other infrastructure, protect and restore critical environmental areas, and protect public health. In applying these principles to any development project, communities need to explicitly consider natural hazards, including the potential impact of climate change. Resilience to natural hazards, such as storms and storm surges, sea-level rise, and shoreline erosion, is inextricably linked to the siting and design of development, as well as to the built and green infrastructure that supports it.

Well-planned and well-maintained natural systems can help protect communities in many ways. For example, natural floodplains and wetlands can act as protective buffers that absorb floodwater, reducing the speed and amount of flooding, controlling erosion, protecting drinking water supplies and water quality, and insulate buildings and roads from damage.

Integrated Coastal Zone Management - Integrated Coastal Zone Management (ICZM) is a process of governance and consists of the legal and institutional framework necessary to ensure that development and management plans for coastal zones are integrated with environmental (including social) goals and are made with the participation of those affected. The purpose of ICZM is to maximize the benefits provided by the coastal zone and to minimize the conflicts and harmful effects of activities upon each other, on resources and on the environment. The City should evaluate opportunities to incorporate elements of this management tool developed by the World Bank into their continuing planning programs.

Green Infrastructure - For the purposes of the [Hurricane Sandy] Rebuilding Strategy, green infrastructure is defined as the integration of natural systems and processes, or engineered systems that mimic natural systems and processes, into investments in resilient infrastructure. Green infrastructure takes advantage of the services and natural defenses provided by land and water systems such as wetlands, natural areas, vegetated sand dunes, and forests, while contributing to the health and quality of America's communities. Damage from flooding in inland areas, and from storm surge and flooding in coastal environments, is significantly reduced

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when natural wetland, riparian, and floodplain areas and the ecosystem services they provide are protected. A particularly effective use of green infrastructure to reduce damage from natural disasters is to conserve environmentally sensitive areas through strategies such as acquisition of land or easements, natural resource protection ordinances, and other regulatory controls and incentives.

Potential benefits to Ocean City's economy associated with green infrastructure include, but are not limited to the following:

- Creation of job and business opportunities
- Increased tourism, retail sales, and other economic activity
- Increased property values
- Reduced energy, health care, and gray infrastructure costs
- Provision of locally produced resources (food, fiber, and water)

While many of the above benefits do not directly relate to post-disaster recovery, they can contribute to increased community resilience and, in doing so, reduce vulnerability to natural disasters.

According to a recent study by the Natural Capital Project and the Nature Conservancy, 16 percent of the U.S. coastline, inhabited by 1.3 million people and representing \$300 billion in residential property value, is located in high-hazard areas ⁷. Sixty-seven percent of these areas are protected by natural green infrastructure (intact reefs, sand dunes, marshes, and other coastal vegetation), and the number of people and total property value exposed to hazards would double if this habitat were lost. These findings underscore the effectiveness of preserving and restoring natural habitat areas, as well as mimicking the services provided by such areas through “nature-based” approaches (e.g., artificial oyster reefs and living shorelines), to increase resilience to natural disasters.

Ocean City should continue to explore new and innovative ways to increase coastal resilience. Integrated approaches to planning for future disasters combine green and gray infrastructure strategies such as those used in Howard Beach, a neighborhood in Queens that was flooded by Hurricane Sandy, concluded that a combination of natural and structural defenses would provide the most cost-effective protection against future storms ⁸. These “hybrid” strategies include

⁷ Arkema, Katie K., Greg Guannel, Gregory Vertutes, Spencer A. Wood, Anne Guerry, Mary Ruckelshaus, Peter Kareiva, Martin Lacayo, and Jessica M. Silver. 2013. *Coastal Habitats Shield People and Property from Sea-Level Rise and Storms*. The Natural Capital Project, Stanford University and The Nature Conservancy. Published in *Nature Climate Change* 3, pp. 913–918. Available at <http://www.nature.com/nclimate/journal/v3/n10/full/nclimate1944.html>.

⁸ Nature Conservancy. 2013. *Integrating Natural Infrastructure into Urban Coastal Resilience: Howard Beach, Queens*. Available at <http://www.nature.org/ourinitiatives/regions/northamerica/unitedstates/newyork/>

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restored marsh, mussel beds, rock groins, removable flood walls, and flood gates. At a larger scale, *A Stronger, More Resilient New York*⁹ combines nature-based (e.g., beach, dune, and marsh restoration) and structural (e.g., floodwalls and storm surge barriers) measures to protect against the effects of climate change. Louisiana's *Coastal Protection Master Plan*¹⁰ proposes a combination of restoration, nonstructural, and targeted structural measures to provide increased flood protection.

Disaster Recovery Programs

Businesses

Superstorm Sandy devastated many businesses in New Jersey, causing substantial commercial property damage and short-term and long-term business operations losses. In addition to the physical damage Sandy caused to businesses themselves, widespread power outages resulted in inventory losses and working capital losses. Damage to public infrastructure such as roads, rail and bridges as well as compromised water utility systems and gas unavailability compounded those damages. While Superstorm Sandy caused damage across all state industries, some industries – particularly the tourism industry – were substantially affected.

New Jersey has implemented four economic recovery and revitalization programs with Community Development Block Grant (CDBG) Disaster Recovery funds. These programs focus on direct assistance to small businesses to satisfy unmet needs, financial support to storm-affected communities for economic revitalization efforts, and a marketing campaign to inform the public that New Jersey's tourism assets are open for visitors. Below are financial resources offered by organizations across New Jersey for business recovery.

Storm Recovery Loans through UCEDC - UCEDC, a statewide economic development corporation, is offering working capital loans up to \$50,000 at only 2% for five years to meet the needs of small businesses impacted by Sandy. Proceeds can be used to cover costs associated with physical or financial damage (business interruption, etc.) due to the storm. No collateral is required and a decision will be made within two weeks of receiving a complete application.

REBUILD New Jersey - Offered by New Jersey Community Capital (NJCC), REBUILD is available to provide critical loans from \$10,000 to \$65,000 to help small businesses pay for building repairs, equipment and inventory purchases, rent or mortgage payments, salary expenses, and utility costs for which they may need assistance. The loans are for up to 24 months and are at a 3% interest rate, with up to three months interest free. EDA has also provided

⁹ New York, City of. 2013. *A Stronger, More Resilient New York*. Available at <http://www.nyc.gov/html/sirr/html/report/report.shtml>.

¹⁰ Louisiana, State of. 2012. *Louisiana's Comprehensive Master Plan for A Sustainable Coast*. Coastal Protection Master Plan available at <http://coastal.la.gov/a-common-vision/2012-coastal-master-plan>.

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financing to REBUILD for the organization to advance to small businesses recovering from Superstorm Sandy.

Cooperative Business Assistance Corporation (CBAC) - CBAC is a nonprofit organization providing market or below market interest rate business loans and technical assistance to small businesses located in or moving into the Philadelphia, Pennsylvania and Southern New Jersey region. EDA has also provided financing to CBAC for the organization to advance to small businesses recovering from Superstorm Sandy.

New Jersey Business Action Center - Information for all services may be easily accessed through New Jersey's Business Action Center (BAC) by calling 1-866-534-7789 or through the state's business portal at www.newjerseybusiness.gov, the "one-stop" shop for business resources. Agents are also available to assist callers that speak Spanish.

Federal Emergency Management Agency (FEMA) Assistance - In addition to recovery resources being offered through the State of New Jersey, the federal government has issued a major disaster declaration for all New Jersey counties. That means the Federal Emergency Management Agency (FEMA) is accepting applications for disaster assistance from businesses and individuals in those counties. You can register online at <http://www.disasterassistance.gov>, by web-enabled mobile device at m.fema.gov or by calling 1-800-621-FEMA(3362) or 1-800-462-7585 (TTY) for the hearing and speech impaired. The toll-free telephone numbers will operate from 7 a.m. to 10 p.m. EDT seven days a week until further notice.

New Jersey's Hurricane Sandy Information Center - The official Hurricane Sandy information center for the State of New Jersey. **Small & Mid-Sized Business** - The EDA has a long history of supporting growth in New Jersey for businesses of all sizes, but support of small to mid-sized businesses has always been one of our top priorities. With the creative and versatile loan solutions available to small to mid-sized businesses through the EDA, now is an opportune time to contact EDA to determine if any of our programs may be the right fit for your small to mid-sized business needs.

Premier Lender Program – The Premier Lender Program creates new opportunities for small businesses and EDA's lending partners by providing new, low-cost financing opportunities with faster turnaround. If your small business is discussing potential financing with one of EDA's Premier Lender banks, EDA's participation or guarantee of a portion of the financing can lower the cost of borrowing for your business.

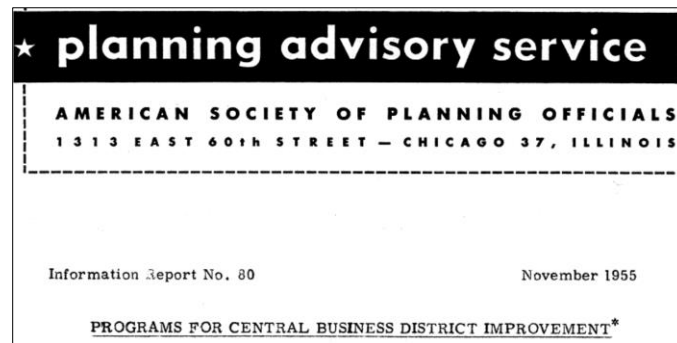
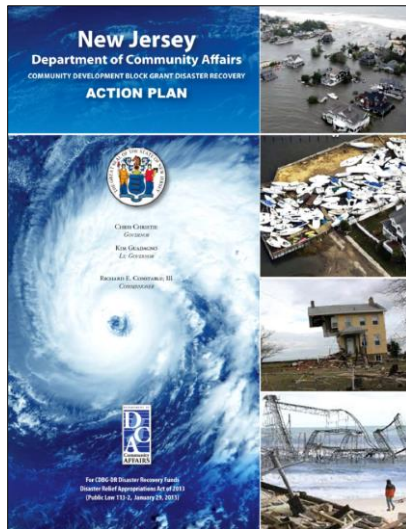
Communities

Superstorm Sandy had a severe impact on local communities and their ability to: perform basic functions; serve their residents, businesses and visitors; and plan for future disasters. Several Sandy recovery programs assist in these areas. The following recovery programs apply to communities:

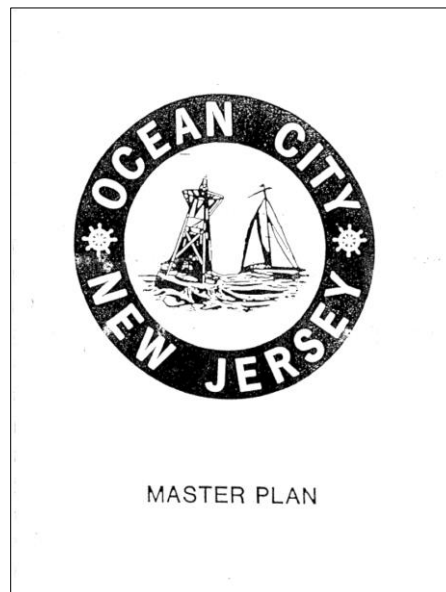
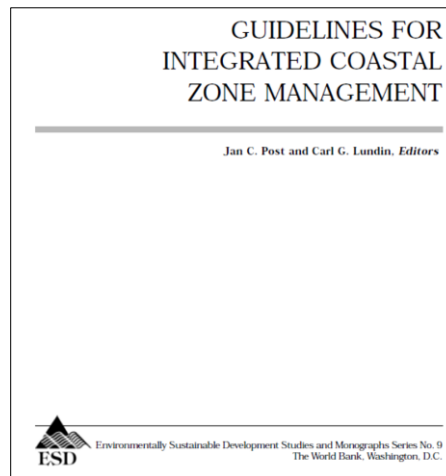
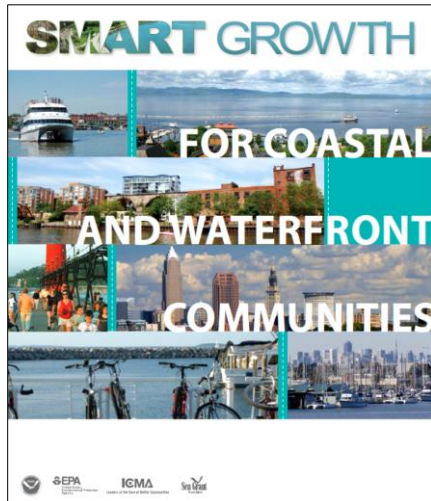
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- Post-Sandy Planning Assistance Grant Program
- Essential Services Grants Program
- Zoning Code Enforcement Grant Program for Municipalities
- Non-Federal Cost Shares (Match) Program
- Unsafe Structures Demolition Program
- Flood Hazard Risk Reduction Programs
- New Jersey Energy Resilience Bank
- Neighborhood and Community Revitalization Program
- Lead Hazard Reduction Program
- Rebuild By Design – Hudson River
- Rebuild By Design – Meadowlands
- National Disaster Resilience Competition

References



Ocean City Master Plan - Economic Plan



May 31, 2017