



# SALEM COUNTY, NEW JERSEY ECONOMIC DEVELOPMENT VISION AND ACTION PLAN



Facilitated by the

**Salem County Economic Development  
Advisory Council**

## SUMMARY REPORT

August 31, 2021

Assisted and Assembled by





## SALEM COUNTY ECONOMIC DEVELOPMENT STRATEGY

**Creating an Office of Economic Development**

August 2021

### **BRIEF OVERVIEW OF THE STRATEGY TO DATE**

The Salem County Economic Development Advisory Council has embarked on a process to explore the creation of an Office of Economic Development for Salem County. Triad Associates of Vineland was engaged to assist in this process, which was funded through a grant from the South Jersey Economic Development District. A subcommittee of the full Advisory Council was created to review drafts of the economic development strategy.

A background narrative of the County was prepared which examined the characteristics of the population and economy, the strengths and challenges facing the County, existing economic development plans and strategies, and the structure of economic development operations in four similarly sized counties. This analysis found that counties with a population base similar to Salem's had economic development offices with limited budgets. These budgets were often augmented substantially by other sources of funding to support overhead costs, marketing, travel and personnel.

As a means of assessing the opinions of key stakeholders, a survey was prepared and distributed to business and industry representatives and the mayors of Salem County's 15 municipalities. Respondents to the survey were asked to choose issues that they felt were most important to the future development of the County. The chart below summarizes those responses and demonstrates significant support for many of the issues for which an Economic Development Office would be responsible.

<b>SURVEY CHOICE</b>	<b>BUSINESS RESULTS</b>	<b>MAYORAL RESULTS</b>	<b>PERCENTAGE OF TOTAL</b>
Grant Writing	40% (26)	55% (6)	42% (32)
Marketing the County	69% (45)	45% (5)	66% (50)
Small Business Support	66% (43)	55% (6)	64% (49)
Tourism Development	49% (32)	9% (1)	43% (33)
New Business Recruitment	89% (58)	82% (9)	88% (67)
Downtown Revitalization	69% (45)	36% (4)	64% (49)
New Housing	22% (14)	0% (0)	18% (14)
Fostering Niche Industry	42% (27)	18% (2)	38% (29)
Regulatory Assistance	46% (30)	45% (5)	46% (35)
Business Retention	60% (39)	27% (3)	55% (42)
<b>Responses</b>	<b>65 Responses</b>	<b>12 Responses</b>	<b>76 Responses</b>

As a result of the feedback from the two surveys, drafts of the mission and responsibilities of an Economic Development Office and an overview of an Executive Director’s position were prepared. These drafts were reviewed with the Economic Development Subcommittee with agreement reached on both of the documents. Short summaries follow.

**The mission of the Salem County Office of Economic Development is to attract, retain and grow businesses; pursue opportunities for economic diversification; market the development and redevelopment potential in Salem County; build a strong entrepreneurial and innovation ecosystem; help reposition the County as it emerges from the COVID19 Crisis; work with various business executives, entrepreneurs, agencies and organizations to provide state-of-the-art services and support to the business community; and enhance the quality of life for County citizens.**

**The Economic Development Director will be expected to perform a variety of administrative, technical and professional services including preparation and implementation of economic and community development plans, programs, and projects. This is a new, full-time position and one that will require the establishment of a new Salem County Office of Economic Development. The Economic Development Director is responsible for marketing the distinct competitive advantages of Salem County to retain, expand and attract businesses; work closely with business, educational and institutional partners to maintain a dynamic environment that positions businesses to excel and prosper; balancing the interests of real estate developers, businesses and others desiring to invest in the County while upholding the community's vision for sustainable growth and development. This position is multifaceted. The Economic Development Director should be creative and organized and able to build on the community's shared vision for the future. The Director is also expected to cultivate, nurture, and sustain strong relationships with appointed officials, business owners, elected officials, and other stakeholders of the community that are framed by the County's vision, values, and interests. The position is responsible for working closely with the Salem County Economic Development Advisory Council, other County agencies and municipalities in promoting the business and economic development interests of the community. The position will include assistance in the planning and coordination of County economic development projects, marketing the County's economic development opportunities, assisting businesses with local and State permitting processes, and providing necessary research and support for economic development projects, including grant and possible financing options. The position will also be responsible for devising strategies for sustaining the office and overseeing its administration and support.**

**BUDGET CONSIDERATIONS**

The Economic Development Subcommittee met on July 8, 2021 to discuss the status of the planning process to date. The committee members felt that a budget, inclusive of operating, personnel and overhead costs in the range of \$300,000 - \$350,000 annually is what is needed in order for an Office of Economic Development to function effectively. A generalized breakdown of such a budget is suggested as follows.

<b>LINE ITEM</b>	<b>ESTIMATE OF COSTS</b>
Personnel Costs for a Director and Assistant (including benefits)	\$160,000
Office Space (Rental), Equipment and Furnishings	\$40,000
Materials and Supplies	\$25,000
Travel, Training and Hospitality	\$20,000
Marketing and Promotion	\$50,000
Consultant Services	\$30,000
<b>TOTAL</b>	<b>\$325,000</b>

## **ESTABLISHING THE OFFICE OF ECONOMIC DEVELOPMENT**

### **Possible Office Locations**

There are several options on the table for the location of the Economic Development Office. These include the Salem Community College, the Salem Improvement Authority, and a site in downtown Salem owned by Salem County Improvement Authority. At a minimum, the office space chosen should be approximately 500 square feet, or large enough to accommodate the director, assistant and the necessary space for visitors, furniture and equipment. If public space is provided this would reduce the cost of operation, assuming that such space is provided rent-free.

### **Overall Management and Supervision**

There are multiple scenarios that would work for the management and supervision of the Office of Economic Development. The Salem County Economic Development Advisory Council would serve as the advisory arm of the office. The Director would report to the Council on a regular basis, as prescribed. Management and oversight of the physical space and any technical assistance would come from the host entity if it is one of the public agencies offering space.

***Ultimately, it will be the decision of the County partners to decide where best to locate the office and how to structure the policy and reporting responsibilities.***

### **Funding and Sustaining the Office of Economic Development**

The Economic Development Subcommittee envisions the Office being funded as an initial start-up for a three-year (3 year) period and then sustained through the ongoing work of the Economic Development Director and staff. Potential funding sources for the initial three-year period include:

- Public Funding – NJ EDA: \$425,000
- Private Sector Funding – Corporate and Business Contributions - \$425,000
- County Government Partners - \$125,000

The objective would be for the ongoing funding, beyond the third year, to come from grants, fund raising, technical services provided by the office, and future contributions by public/private partners.

## **THE TIME IS RIGHT**



The Economic Development Subcommittee believes the time is right to create the Office of Economic Development. There are several reasons why.

**Wind Port Development.** This port project, estimated to cost up to \$400,000,000 will be home to multiple factories that will build the necessary components for offshore wind turbines. It is also strategically situated for component staging, final assembly, and transport (collectively known as marshalling). At

full build-out, the Port will support up to 1,500 permanent, high-quality manufacturing, assembly, and operations jobs. Overall, the Port is expected to support up to \$500 million of new economic activity within the State and the region each year. The development of the port will have a transformational impact on both Salem County and the greater southern New Jersey Region. An office of economic development will help to guide and target those impacts to create new opportunities for development throughout the County.

**Rail Line Infrastructure.** Over the past decade, the NJ DOT and the U.S. DOT through TIGER Grants and Rail Freight Assistance grants have led to the complete rehabilitation of the Salem Short Line Railroad. Connecting Salem County's existing and future rail traffic with Philadelphia and other markets is necessary to ensure the viability of the short line operator. That means bringing new users to the rail line and increasing the potential for new traffic.

**Revitalizing the Port of Salem.** Through the South Jersey Port Corporation, a U.S. DOT INFRA grant was just received for \$9,000,000 to help redevelop deteriorated infrastructure and make the port accessible for the potential wind energy business that will come from the large, \$400,000,000 Wind Port facility being planned for Lower Alloways Creek Township. New shipments through the port will also enhance the potential for expanding rail freight traffic and intermodal shipments of various kinds.

#### **The Implementation Timeline**

July 2021. The Salem County Economic Development Advisory Council considers support for the creation of an Office of Economic Development.

August 2021. Support for the Office, pending endorsement by the Advisory Council is presented to the New Jersey EDA for its consideration as a partner in funding the office.

August 2021. Additional outreach to the business community and public partners in support of the proposal concept.

September 2021. The Negotiating Team is appointed, a scenario for public sector involvement and funding is established, and a protocol for approaching private industry is outlined.

October 2021. Commitments for private sector funding are secured and public sector funding is committed for the FY 2022 budget.

November 2021. Recruitment begins for an Economic Development Director and assistant.

December 2021. Staff commitments are made and office space and supplies are established for a January 2022 start date.

#### **FRAMING ECONOMIC DEVELOPMENT POLICY**

Based on the findings from the Business & Industry Survey and the Survey Responses from Municipal Mayors, the following economic development goals and strategies for Salem County are those for which there appear to be significant agreement. Each of these principal goals has one or more near term strategies associated with it that would be implemented by the new Economic Development Director. This potential framework for an Action Agenda follows.

**GOAL 1: Recruit New Business and Industry**

Strategy 1: Identify Marketable, Ready-to-Build Sites

Strategy 2: Build on the Potential of the Wind Port Development

Strategy 3: Prepare Tear Sheets on Each Site

Strategy 4: Develop Webpage Outlining Targeted Sites

Strategy 5: Design Social Media Outreach to Targeted Businesses and Industries

Strategy 6: Sponsor and Host Familiarization Tour for Commercial Brokers and Economic Development Agencies

**GOAL 2: Revitalize Downtown Business Districts**

Strategy 1: Meet with Municipal Officials to Discuss Needs and Priorities

Strategy 2: Sponsor a County Workshop to Outline Downtown Programs and Redevelopment Strategies

Strategy 3: Develop a Timeline and Strategic Partnerships to Implement Key Projects

**GOAL 3: Develop Ways to Support Small Business and Business Retention**

Strategy 1: Outline All Funding Opportunities through COVID and other New Federal and State Funding Programs

Strategy 2: Prepare a Business Retention Handbook

**GOAL 4: Market the County**

Strategy 1: Develop a Salem County Marketing Consortium

Strategy 2: Brand the County

Strategy 3: Assemble a Multi-Year Marketing Budget and Program

**GOAL 5: Secure Funding and Financial Support for Business and Industry**

Strategy 1: Prepare an Inventory of State, Federal and Other Funding Programs

Strategy 2: Explore Ways the Public Sector can help with Business Expansion through Infrastructure Extension, Brownfield Clean up, Redevelopment Designations, and other Public Actions

**SUMMARY**

The concept for an Office of Economic Development is based on multiple discussions by the Economic Development Advisory Council's Subcommittee as well as public survey responses. The establishment of an Economic Development Office in Salem County, as envisioned, will be driven by local community requests and aspirations.

There are many initiatives underway that will impact the County's future and how development and redevelopment occur. In order to have a voice in these impacts and help to direct new investment to

areas of the County where it is wanted and needed, an Office of Economic Development is critical in shaping development decisions that benefit Salem County's economy.

In order to be successful, this initiative will require the commitments of many partners both public and private. It will also involve bringing on board an executive director with the vision, drive, and enthusiasm needed to build and sustain the operation.

The current environment offers an excellent opportunity to create this Office of Economic Development and forge a positive economic future for Salem County. The benefits from this effort and the increased ability to harness the impacts from the infrastructure investments that have been and will be made, will be transformational, both for the County and those municipalities seeking to share in new development and redevelopment investments.