

# **ATLANTIC CITY EXECUTIVE COUNCIL**

**Tuesday, August 17, 2021**

## **Stockton University – Atlantic City Campus**

### **1) REMARKS FROM ATLANTIC CITY INITIATIVES PROJECT OFFICE EXECUTIVE DIRECTOR MICHAEL C. EPPS, ESQ.**

- a) Primary focus of today's meeting is presentation from City of Atlantic City Planning Department about Opportunity Zones and creating Opportunity Zone committee in Atlantic City.
- b) Important that Jacques Howard, the City's assistant director of redevelopment, give Atlantic City Executive Council an overview of what the Opportunity Zone committee would do to market virtues of Atlantic City and what City has to offer, including Stockton University's Atlantic City campus, Atlantic Cape Community College, AtlantiCare medical center, the casino industry, and all other industries.
- c) Have to put together a prospectus and let investors know what Atlantic City has and why it is a great place for investment and development.
- d) One of key things needed to take advantage of Opportunity Zones is shovel-ready projects so investors have things to invest in. If there are no immediate investors, shovel-ready projects can go to the Opportunity Zone marketplace to try and attract wider investors.
- e) There is a short window that will close and Atlantic City needs to take advantage of it.
- f) Atlantic City Initiatives Project Office is looking for other people to be part of this committee.
- g) Opportunity Zones do exist in Atlantic City and the Project Office along with the City wants to promote the OZs and demonstrate what these zones in the city have to offer.
- h) Showed map of where Opportunity Zones are located.

### **2) ECONOMIC DEVELOPMENT: JACQUES HOWARD, ASSISTANT DIRECTOR OF REDEVELOPMENT, CITY OF ATLANTIC CITY DEPARTMENT OF PLANNING AND DEVELOPMENT**

- a) Showed where the Opportunity Zones are located in Atlantic City.
- b) Window for Opportunity Zones is about to close, but there is federal legislation to extend it to 2030.
- c) Benefits for the neighborhoods include job creation and entrepreneurship.
- d) Need to keep in mind the window of opportunity and shovel-ready projects.
- e) Goal of Opportunity Zones is to improve economic conditions in distressed communities. Includes focus on transit-oriented villages, lowering unemployment, encourage entrepreneurship, and redevelopment.
- f) Whatever the project is, it needs to meet certain criteria.
- g) Elizabeth Terenik of ACDEVCO and the Chelsea Economic Development Corp and a member of the Atlantic City Executive Council at one time created a marketing brochure for opportunity zones in Atlantic City.

- h) Need to do more as an Opportunity Zone committee to make sure marketing and packaging OZs with tax planning, zoning and permitting. Work with City to fast track projects because OZ program needs to see progress.
- i) Need to utilize public private partnerships to maximize value.
- j) When you look at demographics of Opportunity Zones in Atlantic City, will find primarily in minority communities.
- k) Executive Council can help because membership runs the gamut of stakeholders that are interested in seeing the city succeed; community engagement is the way that success happens
- l) State is focusing on community-based agreements, which are essentially a form of public-private partnerships, but with the added commitment to sustainable community development.
- m) While investment in Opportunity Zones have slowed, COVID and additional guidance has created renewed interest in program to assist with underserved communities and to provide tax relief for investors.
- n) Legislation being considered would extend the program until 2030. As a result, planning opportunities exist for new investments into the program as well as for current investments.
- o) Looking at city's South Inlet area, Ducktown, West Side area.
- p) Atlantic City is a favored municipality from State's perspective. State wants to see projects in the city; so if a project falls just outside the Opportunity Zones, might be able to get support.
- q) Mike Epps said he noticed that Chelsea Heights and Venice Park aren't in the City's Opportunity Zones, but could benefit from the program. He asked if there is any way for them to participate.
  - i. Jacques Howard said those neighborhoods don't meet the demographics because they are primarily residential.
- r) Executive Council members asked if Bader Field is part of an Opportunity zones.
  - i. Jacques Howard said no.
  - ii. Elizabeth Terenik shared a map of the Opportunity Zones; South Inlet (around Ocean Resort Casino), Uptown/Downtown (from Garden Pier at north to Bally's and The Walk at south), Ducktown (from Michigan Avenue to Texas Avenue), and Chelsea (from Texas Avenue to Annapolis Avenue).
- s) Matt Doherty, executive Director of the Casino Reinvestment Development Authority, said that Atlantic City is unique in that it has four contiguous Opportunity Zones along the ocean.
- t) Lori Herndon, president and CEO of AtlantiCare, asked since Opportunity Zones have been around since 2017 why the City is expressing interest in them now.
  - i. City Business Administrator Anthony Swan said that since he became business administrator last year, one of his directives was diversifying the city's economy and generating improvement and growth that is sustainable. Wants to do something that changes the lives of residents in a good, sustained way. BA Swan spoke with Jacques Howard and Barbara Woolley-Dillon, director of the City's planning department, to take a renewed look at Opportunity Zones and how the City can better take advantage of them.

- ii. Jacques Howard said there are at least two known OZ projects in the city, but they are privately undertaken and did not seek out City help. He said he would get that information to the Executive Council.
- u) Elizabeth Terenik said Opportunity Zones have been used to buy a parking lot near the Orange Loop. Lot is on the corner of Pacific and Tennessee avenues. No plans to develop it right now. She said because Atlantic City still has clean and safe issues, this is why haven't seen the investment in Opportunity Zones in the city. Said focus should be on addressing clean and safe issues in Atlantic City.
- v) Jacques Howard said while public safety is an element, it is not a major impediment because other cities in the state that have public safety challenges like Camden, Paterson, etc. have seen Opportunity Zone success. A lot of success in the Opportunity Zone program is around finding a good project that investors want to invest in.
- w) Jacques Howard said next step should be comprehensive marketing package and marketing campaign. Then need to begin working with City planning department and CRDA to find those pockets of the city that are ripe for development. Wants to see if there are goals and objectives that the Executive Council would like to see furthered.
- x) Matt Doherty said people can take most advantage of Opportunity Zones if they are a developer or a property owner that has owned property for a long time in another community and sells that property and then invests those sale proceeds into an Atlantic City Opportunity Zone so that he/she doesn't have to pay a lot of taxes on the property sale. CRDA is looking to do tour with small developers who had success in Asbury Park, Jersey City, and New Brunswick.
- y) CRDA also found Opportunity Zones don't work for home developers; what is does work for is smaller developers of commercial, retail, hospitality uses.
- z) How City and other stakeholders package Opportunity Zones might help with cooperative and condominium ownerships; might be a way to straddle the line as it relates to affordable housing.
- aa) Lori Herndon recommended that Opportunity Zone committee links up with Atlantic County Economic Alliance, which has been having a lot of success around the Atlantic City airport and is picking up all kinds of grants and infrastructure support.
- bb) Mike Epps said he would facilitate a meeting between Jacques Howard and Lauren Moore, who is part of the Atlantic City Executive Council. Will continue to work and put the Opportunity Zone committee together to move this project along.

### **3) GOOD OF THE ORDER**

- a) Matt Doherty said Shoprite will hopefully be coming before the CRDA board shortly. Possible site plan approval at CRDA September meeting; if gets approval, can break ground as early as October.
- b) Joyce Hagan, executive director of the Atlantic City Arts Foundation, talked about an art project that is unveiling on Friday.