



Major Projects and Developments in Atlantic County, New Jersey Summer of 2018

In time for the 40th anniversary of gambling in Atlantic City, the Atlantic County-Atlantic City economy will experience its best summer in a decade. Many projects are entering their final phases and construction activity is picking up to close out projects and developments before the end of summer.

Of interest to the marina, pleasure boating and marine fisheries industries is the adoption of legislation to allow the removal of silt from marinas and docks, as exemplified by Ocean City's recent city-wide dredge permit to allow dredging along the back bay. This precedent bodes well for the back-bay communities of Atlantic City, Brigantine, Ventnor, Margate, Longport, Absecon, Pleasantville, Somers Point and Egg Harbor Township. Egg Harbor Township has adopted an ordinance for \$710,000 in bonding to dredge the Anchorage Poynte development on the Longport-Somers Point Boulevard, the housing-marine development that has been silted over ever since Hurricane Sandy. With renewed dredging, marine industries with 400 years of local history and tradition will slowly be revived, resulting in tens of millions of dollars in renewed economic activity to the region.

Multiple industry sectors have major projects nearing completion or under construction:

Atlantic City is on the rise!

The seven casinos saw gross operating profits increase by 22.5% last year, to \$723 million. That is great news for Atlantic City, which saw five of 12 casinos shut down since 2014. The remaining seven casinos showed an increase in total revenue, with hotel occupancy and room rate statistics up as well. Just as encouraging, lodging fee per 100 rooms, parking fees per 100 spaces, and non-casino revenues per room all increased in 2017 compared to 2016. The industry will experience a significant expansion this summer due to a new array of attractions that will bring additional visitors to Atlantic City.

Additionally, sports betting or sports book is now legal throughout the United States. New Jersey's Governor Murphy has recently signed a state sports book bill that enables sports betting at state casinos and racetracks. It is expected that sports betting will take place at New Jersey casinos this summer. Many Atlantic City casino hotels have prepared to implement sports betting when the governor signs the bill, including the Borgata Hotel Casino, the Hard Rock Hotel and Casino Atlantic City and the Ocean Resort Casino. Several providers of Sports Book services have demonstrated an interest in the Atlantic County market including William Hill and DraftKings. Also, the closed Atlantic City Race Course will also qualify for sport book operations.

Ocean Resort Casino:

Bruce Deifik of Colorado is reopening the Ocean Resort Casino, previously the Revel, on June 28 under the Hyatt brand; this is Hyatt's first entrance to the Atlantic City market. Major reconfigurations are under way that will open the casino hotel to the boardwalk, reconfigure the main entrance and master staircase, enable easy access from place to place, improve signage, enhance customer service and provide entertainment venues for all market segments.

Ocean Resort Casino is also bringing virtual golf to the Atlantic City Boardwalk. Its owners said they will offer the world's largest Topgolf Swing Suite, featuring a lounge in which players will engage in various virtual golf games, as well as a virtual putting green and interactive multi-sport games. The 26,000-square foot indoor facility will feature 11 player bays, each with a 16-foot-wide video screen and virtual reality experience simulating not only golf, but other sports as well. The lounge will be used for double duty, allowing viewing parties for the Oscars, the Grammys and the Super Bowl.

Hard Rock Atlantic City opening set for June 28

The \$500 million Hard Rock Hotel & Casino Atlantic City will open June 28 and feature a summer lineup of more than 60 live entertainment acts. The property will offer 2,000 guest rooms and suites, more than 20 restaurants and bars, a revamped Etes Arena with a seating capacity of 7,000, a theater with a capacity of more than 2,000 people, a 120,000-square-foot casino floor, 2,100 slot machines and 120 table games.

Developer Blatstein takes step toward N.J. casino license

Showboat Atlantic City hotel owner Bart Blatstein has asked New Jersey regulators to declare him eligible to operate a casino in the state, a possible first step toward bringing slots and table games back to the casino hotel. The Philadelphia-based developer petitioned the state Division of Gaming Enforcement for a "statement of compliance" demonstrating that he controls a property that could be used as a casino.

Skybridge between Tropicana and the Chelsea Tower

Tropicana has opened the skybridge between the Tropicana Casino Hotel and newly acquired Chelsea Hotel. The Chelsea Hotel, renamed the Chelsea Tower, has undergone a \$200 million renovation that boasts new dining and bar amenities and a rooftop pool. The Tropicana was recently sold by Carl Icahn to Eldorado Resorts Inc.

Unrelated note: Near the Tropicana, the newly opened Biergarten, AC provides a German style beer garden serving 30 beers, wine and specialty cocktails.

Stockton University's new beachfront locale

Stockton University's city campus in the Chelsea neighborhood of Atlantic City nears completion. Students are expected to move in Aug. 31 to the \$178 million project in the south end of Atlantic City. Classes are scheduled to begin Sept. 5. With a total cost of more than \$220 million when including South Jersey Gas Headquarters, work is also nearing completion on the University's academic building across Atlantic Avenue and on an 865-car garage. Six stories of office space above the garage will become the new headquarters for South Jersey Gas. The standout feature of the new campus is the residential

apartments overlooking the ocean and a nearly panoramic view of the Boardwalk. The university anticipates more than 500 students living on campus in the fall semester.

Atlantic City's Tennessee Avenue

By this summer, Tennessee Avenue could be far different than today. Tennessee Avenue investors envision a coffee house, yoga classes, a beer garden and a thriving street scene welcoming visitors and locals alike. Expected to open are Made, a chocolate and wine bar where patrons can watch the chocolate-making process; Hayday Coffee, named for William Hayday, the inventor of the rolling chairs that still ply the boardwalk; and the Tennessee Avenue Beer Hall, which will include an extensive beer garden and room for events.

Wheel at Steel Pier opens

The Wheel at Steel Pier, a \$14 million non-gaming attraction, is now complete and opened for visitors and tourists. The wheel offers a beautiful view of all Absecon Island, Brigantine, the back bays and the ocean, with panoramic views 300 feet above sea level. The ride lasts for a leisurely 45 minutes with a stop at the top for an unprecedented view of the area. The observation wheel is 227 feet with a 250-person capacity tent for parties and weddings

Another section of Atlantic City Boardwalk opens

Another stretch of Boardwalk has opened from the Ocean Resort Casino down to Gardener's Basin, bringing foot and bike traffic to the Inlet section of the city. The section opened after months of construction that was part of a \$50 million project to extend the walking path down towards Gardner's Basin. The Boardwalk now connects from Ventnor to Atlantic City and around the Inlet to Grammercy Place.

Economic development in A.C

The city has grants available to reduce the cost of economic development in the resort. One grant is from the federal Environmental Protection Agency, and the other two programs are paid by the state Economic Development Authority. Many development sites in the city have some form of petroleum or historic fill contamination problem. An added cost of land development in the resort is assessing the property to determine the level of contamination and the method of remediation. Developers can complete an application, and once approved, the city will authorize one of the Brownfields assessment firms contracted with the city to complete the assessment at no cost to the developer.

Offshore wind company Orsted moves into Atlantic City office

The Danish firm Orsted, the world leader in offshore wind development, has moved into its Atlantic City office in the Bella Condominiums. Orsted's Ocean Wind project, planned for about 10 miles off Atlantic City, could generate up to 3,000 megawatts of electricity, enough to power about 1.5 million homes. Job creation is estimated at more than 1,000 construction jobs and 100 permanent operation and maintenance jobs upon completion. Orsted has constructed and operates over 20 wind farms throughout Europe. It holds leases for constructing wind farms off Atlantic City, Massachusetts and Virginia. The company recently announced an agreement with German steel manufacturer EEW to open

a manufacturing facility in Massachusetts to provide materials for wind farm construction. A similar supply chain effect may be felt in Atlantic County.

Trump Plaza Demolition

Demolition of abandoned Trump Plaza is planned for after Labor Day. Arranging for the \$13.5 million demolition cost continues to absorb the Icahn organization's attention. The demolition will open the center of the city allowing for a bench front improvement that will be contiguous to the Tangier Outlet stores, and the Atlantic City Convention Center and Sheraton Hotel to the west.

Absecon Lighthouse receives \$50k for repairs, operations

The Absecon Lighthouse is making necessary repairs on the 161-year-old structure after funding from the Casino Reinvestment Development Authority. CRDA approved an amendment to an agreement to reallocate \$52,000. The funds will allow the tourist attraction to repair the roof of the Keeper's Cottage, cracks in the drywall, rusted light posts around the property and weathered window screens. The money will also be used to offset a budget deficit.

Development on the Mainland

Atlantic County renews effort to create an aviation industry around the Atlantic City Airport

Atlantic County is continuing efforts to create an aviation industry around the Atlantic City International Airport. The Atlantic County Economic Alliance signed an agreement with TRIAD Associates to write business development grant applications that may provide money for the ACEA to expand promotion of investment around the airport. The plan will be a companion to the Angelou Report, released in 2015, working in tandem to diversify the Atlantic County economy.

The ACEA is encouraged by Governor Murphy's selection of eight Atlantic County census tracts for inclusion in the federal Opportunity Zone Program, designed to drive long-term capital investments into low-income rural and urban communities. The ACEA worked with the governor's office to identify areas in Atlantic County to support its regional economic development strategy. The designated Opportunity Zone census tracts are in Atlantic City, Egg Harbor City, Egg Harbor Township, Pleasantville and Somers Point.

While the ACEA is strongly committed to building an aviation industry, it has not forgotten the importance of tourism to Atlantic County and its significant contribution to a \$42 billion statewide industry. The ACEA recently collaborated with its Cape May County tourism partners in securing the Times Square jumbotron digital billboard to display tourism ads promoting Atlantic and Cape May counties three times an hour, from April through June.

Stockton University continues expansion with new quad, buildings

After two years of construction, the college unveiled two new academic buildings and an open, grassy area that will greet students and visitors as they enter the campus. The buildings include a 58,210-square-foot addition to the Unified Science Center and a 37,720-square-foot Health Sciences Center. The quad expansion was part of the university's 2005 campus master plan to address growing

enrollment. Last fall, the university welcomed its largest freshman class ever, almost 1,600 students, a 32 percent increase from the year before.

Big Lots coming to Mays Landing; new Dollar General, Sturdy Savings Bank open

Two projects are underway in the Hamilton Commons shopping center on the Black Horse Pike in Mays Landing. Big Lots will open in the space previously occupied by Circuit City and H. H. Gregg, and an Outback Steakhouse is planned for the vacant lot that once held the Volcanic Eruptions strip club. Plans for the Outback, which is expected to seat 240 people, were unanimously approved by the township's Planning Board on February 1.

Royal Farms breaks into South Jersey market

Royal Farms has received site plan approval for a 4,600 square foot super store and gas station at the busy corner of Tilton and Fire roads. This development is part of Royal Farms vanguard movement into the southern New Jersey market.

Plans for Galloway urgent care approved

Phoenix Health Ventures received approval at the township's Planning Board meeting for an urgent care facility and a second medical building at the intersection of Jimmie Leeds Road and the While Horse Pike. According to the plans, there will be two buildings, 6,000 square feet each, and a total of 68 parking spaces on the site. Besides the urgent care facility, the buildings will hold primary care or specialists' offices.

EHT tax breaks good for business

Egg Harbor Township has encouraged property owners to build and expand their businesses in exchange for property tax abatements. Since 1999, the township has approved 170 tax abatements, adding \$183 million worth of ratables to the tax rolls. The Township Committee adopted the tax-abatement program in 1999, in response to a state law enacted in 1991 that permitted municipalities to offer a phasing-in of property taxes on the improved value of commercial properties. The Economic Development Commission recommended the city adopt a tax-abatement program to stop the loss of commercial properties to other municipalities. Other Atlantic County communities also offer tax abatements, including Hamilton Township, Galloway Township, Buena Vista and Somers Point.

Atlantic Cape cuts ribbon on \$12.4M student center

The \$12.4 million building, designed by Spiegle Architectural Group, was funded by Atlantic County and the state. The Student Success and Career Planning Center, a veterans' lounge and meeting space are located on the second floor. The college broke ground on the 22,000-square-foot project in September 2016 as part of its Blueprint 2020 plan to upgrade the infrastructure at its three campuses. In addition to common space, including a game room, the student center also includes dedicated space for the Student Government Association and for various student publications.

Pleasantville expanding uses for former Press site

The Pleasantville Planning Board approved a zoning overlay for the former The Press of Atlantic City offices on Devins Lane to allow developers the option to consider Highway Commercial or Light

Industrial uses, such as medical and professional offices or recreation facilities. The property was purchased by RGC3 LLC of Egg Harbor Township from former Press owner Abarta Inc. The building has been vacant since 2013. The 54,000-square-foot Press newsroom has been torn down. The 35,000-square-foot printing building remains.

Mays Landing millwork company holds grand opening

INTEX Millwork Solutions moved from its site in Millville to the historic former glass and bottle factory at 45 Mill Street in Mays Landing, which INTEX purchased last year. The company specializes in the design and fabrication of custom PVC trim and millwork, with customers from New England to the Gulf Coast. The company refurbishing and outfitted the 108,000- square-foot building and surrounding area.