



Organizing for Economic Development At the Local Level

“Organizing for Economic Development at the Local Level” is the first in a series of publications from the Somerset County Business Partnership’s economic and tourism development staff. We hope you find this information useful and we encourage you to contact us with any immediate questions you might have or if you have suggestions on future topics that would be beneficial to your community’s leaders.

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New Jersey's historic "home rule" governance structure places much responsibility on local elected and appointed officials. One of these responsibilities is promulgating a Municipal Master Plan, which can include an economic plan element in addition to the more typical housing, circulation, and environmental components.

Economic plan elements are a local option in Municipal Master Plans as prescribed under the New Jersey Municipal Land Use Law (New Jersey Statutes Annotated 40:55D): "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;" (N.J.S.A. 40:55D-28)

Organizing for economic development precedes local labor pool research, analysis of the diversity of the local economy, and promoting economic investment.

A municipal governing body will find it useful to leverage knowledge already present in the community for the purpose of analyzing the characteristics of the local labor pool and the stability and diversity of the local economy. Ideally the governing body will engage local businesspeople, volunteers, and past elected and appointed officials.

Properly organized, an economic plan element will ensure that all community perspectives are represented in the process of creating the economic development master plan. Community participation will identify the problems and opportunities facing the local economy. Identifying critical challenges and opportunities through broad based discussions will help create a unified vision of what economic development activities will best serve the community.

A successful effort requires a diverse community group. Although individual community economic development committees will vary in their membership, a suggested starting point is:

- A representative from the local governing body
- A representative from the municipal administration
- A representative from the local chamber of commerce or business and professional association
- Representation from the local business community
- Representation from the local residential community

Expectations for the Committee's work are generally defined by the governing body, making it entirely appropriate to express these in a Resolution establishing the Committee. It is critical to set forth clear goals, expectations, and outcomes for both the scope of work and reporting conclusions.

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A proper vision for the Committee's work would be to research and produce an analysis of the local economy that could be adopted as an element of the municipal Master Plan, although the Committee's work need not be constrained to this activity.

Other appropriate roles for the Committee could be:

- Reviewing the local master plan, local land use ordinance, and zoning ordinances with a goal of identifying conflicts among these documents
- Documenting processes (planning, zoning, code enforcement) that potentially impact the efficiency of economic investment (business expansion, new building construction, occupancy certification) and recommending operational improvements
- Serving as a primary point of contact for business
- Facilitating interactions between local officials, the local administration, and the business community
- Analysis of the existing economy and identification of opportunities for promoting future private sector investment

This economic development committee is an important step in developing a framework for strong long-term economic growth in the community. The Committee should be encouraged to look beyond their established membership in seeking advice, guidance, and support for potential initiatives.

Formal methods of reporting and communication need to be established between the Committee, the Governing Body, and the administration. This formal reporting can be achieved through a liaison or staff assignment.

The Committee should have a chairperson and vice-chairperson, either elected from the Committee membership or appointed by the Governing Body. The Committee should be encouraged to establish sub-committees for conducting in-depth research on issues and analyzing potential recommendations for consideration by the Committee as a whole.

Every community is unique and will need to define the role they wish to play in facilitating economic investment in their community. Regardless of whether or not a community wishes to have an active role in economic planning, the observations and analysis that an economic development committee provides can be invaluable.

In support of community analysis, provided with this report are demographics and statistics for your municipality covering housing, population, employment, and income. Since municipal revenue is driven largely by real property taxation, an abstract of ratables by property class for your community is also included.

Understanding your local economy is the first step in leveraging the tools and resources available and an economic development committee is the appropriate structure for beginning this process. There are a variety of resources your community can access that will help you analyze your local economy. This information is available from the Somerset County Business Partnership.

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Somerset County Housing/Population/Economic Census Data 2005-2007

Social Characteristics	Estimate	Percent	U.S.	Margin of Error
Average household size	2.79	(X)	2.60	+/-0.02
Average family size	3.33	(X)	3.19	+/-0.04
Population 25 years and over	216,871			+/-93
High school graduate or higher	(X)	92.5	84.0%	(X)
Bachelor's degree or higher	(X)	49.3	27.0%	(X)
Civilian veterans (civilian population 18 years and over)	16,811	7.0	10.4%	+/-894
Disability status (population 5 years and over)	26,124	8.8	15.1%	+/-1,380
Foreign born	69,247	21.6	12.5%	+/-2,317
Male, Now married, except separated (population 15 years and over)	73,468	59.7	52.6%	+/-1,432
Female, Now married, except separated (population 15 years and over)	71,498	55.1	48.5%	+/-1,502
Speak a language other than English at home (population 5 years and over)	80,344	26.9	19.5%	+/-2,480
Household population	317,086			+/-162
Group quarters population	(X)	(X)	(X)	(X)
Economic Characteristics	Estimate	Percent	U.S.	Margin of Error
In labor force (population 16 years and over)	171,822	69.2	64.7%	+/-2,154
Mean travel time to work in minutes (workers 16 years and over)	30.2	(X)	25.1	+/-0.5
Median household income (in 2007 inflation-adjusted dollars)	94,036	(X)	50,007	+/-2,219
Median family income (in 2007 inflation-adjusted dollars)	109,488	(X)	60,374	+/-2,241
Per capita income (in 2007 inflation-adjusted dollars)	46,020	(X)	26,178	+/-1,026
Families below poverty level	(X)	2.3	9.8%	(X)
Individuals below poverty level	(X)	3.6	13.3%	(X)
Housing Characteristics	Estimate	Percent	U.S.	Margin of Error
Total housing units	120,274			+/-93
Occupied housing units	113,495	94.4	88.4%	+/-822
Owner-occupied housing units	91,690	80.8	67.3%	+/-1,147
Renter-occupied housing units	21,805	19.2	32.7%	+/-1,127
Vacant housing units	6,779	5.6	11.6%	+/-818
Owner-occupied homes	91,690			+/-1,147
Median value (dollars)	443,700	(X)	181,800	+/-7,596
Median of selected monthly owner costs				
With a mortgage (dollars)	2,490	(X)	1,427	+/-38
Not mortgaged (dollars)	952	(X)	402	+/-19
ACS Demographic Estimates -	Estimate	Percent	U.S.	Margin of Error
Total population	320,213			*****
Male	157,559	49.2	49.2%	+/-104
Female	162,654	50.8	50.8%	+/-104
Median age (years)	39.0	(X)	36.4	+/-0.3
Under 5 years	21,443	6.7	6.9%	+/-27
18 years and over	239,215	74.7	75.3%	*****
65 years and over	36,670	11.5	12.5%	+/-3
One race	316,199	98.7	97.9%	+/-794
White	239,189	74.7	74.1%	+/-1,838
Black or African American	27,658	8.6	12.4%	+/-742
American Indian and Alaska Native	780	0.2	0.8%	+/-424
Asian	37,691	11.8	4.3%	+/-607
Native Hawaiian and Other Pacific Islander	156	0.0	0.1%	+/-246
Some other race	10,725	3.3	6.2%	+/-1,728
Two or more races	4,014	1.3	2.1%	+/-794
Hispanic or Latino (of any race)	37,486	11.7	14.7%	*****

Sources for Data:

Pages 4 , “Somerset County Housing/Population/Economic Census Data 2005-2007” ,
Source: U.S. Census Bureau, Summary File 1 (SF 1) 6/16/09:
Website: <http://factfinder.census.gov/>

ABOUT THE SOMERSET COUNTY BUSINESS PARTNERSHIP

The Somerset County Business Partnership has 4 goals as an organization; Public Leadership, Advocacy and Influence, Economic Development, and Member Value and Engagement. Advocacy and Influence maintains the Partnerships focus on remaining a powerful, unified and dynamic voice advocating for the Somerset County business community through programs such as the Somerset County Energy Audits program, the Legislative Affairs Committee, Environmental Health and Safety, Emergency Management and Business Continuity, as well as many other successful initiatives. Economic Development focuses on the commitment to smart growth in order to create a successful and thriving business environment; enhanced employment opportunities for its residents, an increased tourism industry, and a continuing focus on enhancing the attractiveness, physical infrastructure, and social capital of the community. Through Member Value and Engagement the Somerset County Business Partnership provides business advocacy, educational forums, visibility and exposure, and networking and information sharing among peers to maintain the partnerships unique value to its members. Public Leadership refers to the Somerset County Business Partnerships ability to function as a proactive team-oriented regional player in economic and community development and quality of life initiatives such as Shared Services, Workers Compensation, Share Grant, and the Somerset County Hazardous Mitigation Plan.

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