



# Welcome

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## Boardwalk Sub-Committee

### *Final Report*

June, 12, 2026



# The Boardwalk Sub-Committee

The Boardwalk Sub-Committee is honored to present our Final Report on research, findings, takeaways and recommendations to City Council.

From this report, it is expected that a well thought out strategic model will be developed and adopted to insure economic and cultural resiliency of the Boardwalk for generations to come, while respecting the past.



# Agenda

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- Boardwalk Sub-Committee Meeting Purpose & Structure
- Data Findings
- Key Takeaways
- New Research
- Final Observations
- Recommendations

# Boardwalk Subcommittee





# The Committee

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The Boardwalk Sub-Committee was established in the fall of 2025 by Terry Crowley, President of City Council.

Due to significant public interest in the future of the Boardwalk and specifically 600 Boardwalk, President Crowley selected a diverse group of Ocean City residents volunteer their time and talents to examine the boardwalk in a holistic manner and make recommendation for the future success.

It should be noted that neither President Crowley nor Mayor Gillian had any involvement with the Committee, allowing the Committee to work autonomously without outside influence.



# The Team

## Boardwalk Subcommittee Members

Dave Winslow, <i>Chairman</i>	Council Member
Jody Levchuk	Council Member/Boardwalk Business Owner
Sean Barnes	Council Member /Planning Board Member
Michael Allegretto	City Administration
Dean Adams	Builder/Planning Board Member
Shannon Halliday	Architect/Planning Board Member
Wes Kazmarck	Boardwalk Business Owner/Boardwalk Merchants Association
Jim Kelly	Vice President Erickson Senior Living / Council elect member
Jocelyn Palaganas, <i>Spokesperson</i>	School Board Member, Boardwalk Business Owner



# Sub-Committee Mission Statement

The Ocean City Boardwalk Sub-Committee is dedicated to evaluating and modernizing the zoning policies that govern the City's iconic boardwalk district.

Our mission is to ensure that future development supports Ocean City's long-standing identity as America's Greatest Family Resort—preserving its unique mix of family entertainment, retail, dining, and amusement—while encouraging responsible investment, property improvement, and year-round economic vitality.



# Sub-Committee Goals

- Evaluate Existing Zoning Regulations
- Preserve Ocean City's Family-Oriented Character
- Encourage Property Improvements & Economic Sustainability
- Analyze the future of the 600 Boardwalk property as it relates to the strategic view of the future of the Boardwalk
- Engage the Community & Stakeholders
- Deliver Actionable Recommendations to City Council



# Boardwalk Sub-Committee Goals

- The Boardwalk Sub Committee was not tasked with determining if 600 Boardwalk was an area in need of rehabilitation or redevelopment. These topics were not discussed at the Boardwalk Sub Committee meetings. The Committee was focused on providing recommendations on the future makeup of the Boardwalk, not an Administrative process.
- City Council is the governing body to determine if the rehabilitation or redevelopment should be considered



# BACKGROUND





# MASTERPLAN EXTRACT

## History of the Boardwalk area

- Early Plans (1960s–1980s): Established the boardwalk as the heart of Ocean City’s economy and community life.
- 2000s: Focus shifted to handling tourism pressures, parking/bike congestion, and outdated zoning and lodging areas.
- 2010s (Pre-Sandy): Planning emphasized mixed-use redevelopment and created a hospitality zone to modernize the area.
- Post-Sandy: Priorities expanded to flood protection and coastal resilience.
- **2019 Masterplan Reexamination report provided recommendations for the Boardwalk; not all implemented**
- Today: The boardwalk remains a planning and investment priority, with ongoing efforts to update standards for vibrancy, resilience, and neighborhood compatibility.



# Demographics: Ocean City, NJ

	2025	2020	2010	2000
Population	11,219	11,211	11,701	15,378
Population Density (people per square mile)	1,663	1,660	1,733	2,277
Median age	57.0 years old	56.3 years old	50.9 years old	47.8 years old
Median household income	\$101,782	\$88,412 per year	\$55,202 per year	\$44,158 per year
Median value of owner-occupied housing units (with mortgage)	\$719,100*	\$603,300	\$632,200	\$224,700
Median gross rent (per month)	\$1,683	\$1,332	\$1,160	\$722

Source: American Community Survey



# Review of Subcommittee Data Needs

33 data sets were considered; investigated 11 categories

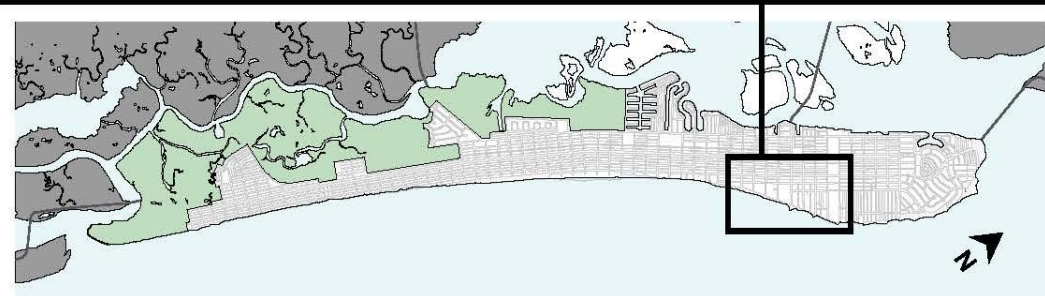
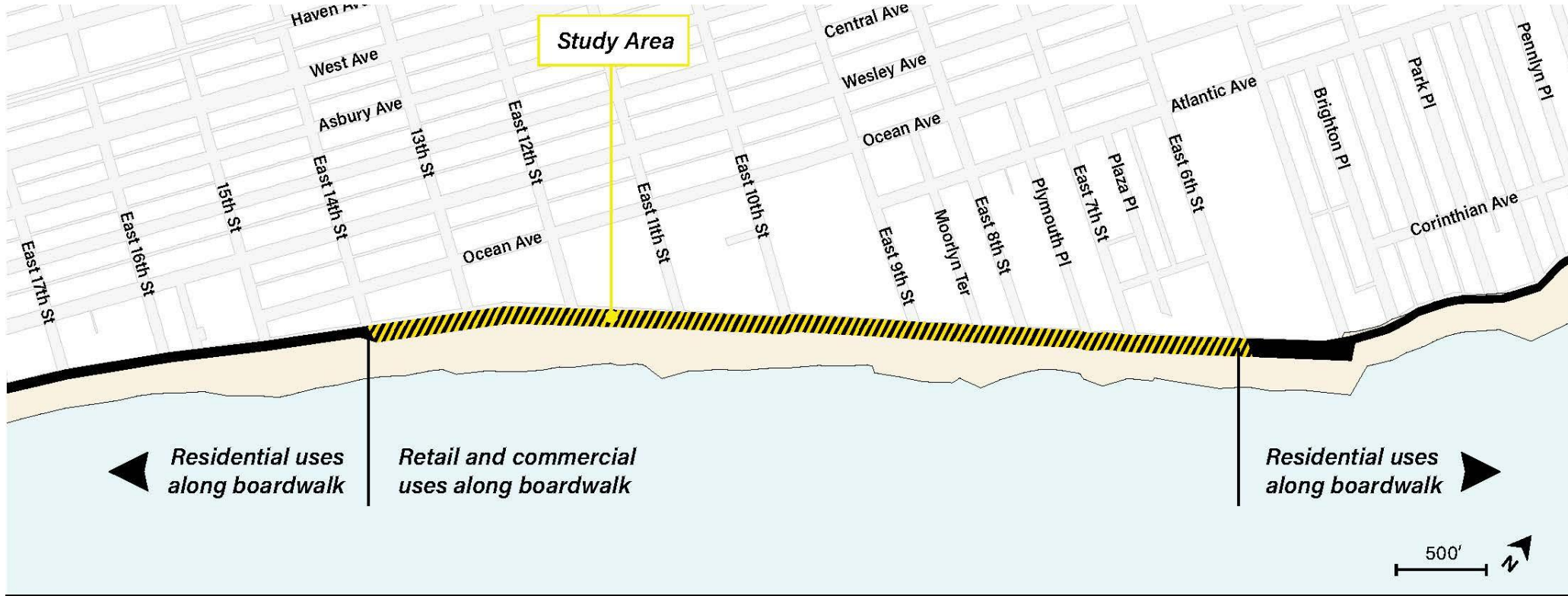
Category	Data Set
<b>Physical &amp; Land Use Indicators</b>	<ul style="list-style-type: none"><li>• Photo Inventory / Slide Show</li><li>• Current Zoning Map and Criteria</li><li>• Boardwalk Inventory by Use &amp; Location</li><li>• Hotel Data</li><li>• Ocean City Parking Data</li></ul>
<b>Economic Indicators</b>	<ul style="list-style-type: none"><li>• Beach Tag Revenue</li><li>• Sales Tax Comparison</li><li>• Amusement Park Data</li></ul>
<b>Social &amp; Cultural Indicators</b>	<ul style="list-style-type: none"><li>• 2010 Rutgers Study</li><li>• Stakeholder Interviews</li></ul>
<b>Comparative Benchmarks</b>	<ul style="list-style-type: none"><li>• Comparison Communities</li></ul>

# FINDINGS

A wide, empty boardwalk street at dusk. The street is paved with wooden planks and has white lane markings. On the left, there are multi-story buildings with various storefronts and signs. On the right, there are more buildings, some with outdoor seating and umbrellas. The sky is a mix of orange, red, and blue, indicating sunset. Streetlights are visible on both sides, and the overall atmosphere is quiet and serene.



# Study Area Map: "Boardwalk Zone"





# Zoning Map



On-Boardwalk (ON-BD)	Central Business (CB)
Hospitality Zone (HZ)	Drive-In Business (DB)
Redevelopment Area (RA)	Neighborhood Business (NB)
Residential - One Family (R-1)	Study Area
Residential - Two Family (R-2)	Boardwalk
Residential - Multifamily (R-MF)	Historic District
Public (P)	Old City Overlay Zone
Beach Dune (BD)	Special Improvement District (SID)





# Comparison of Permitted Uses ON-BD Zone and Adjacent Areas

Beach Dune Zone (BD)

On-Boardwalk Zone (ON-BD)

Hospitality Zone (HZ)



# Permitted Uses: ON-BD Zone and Adjacent Areas

## Beach Dune Zone (BD)

- Beach and water recreation
- Protective sand dunes and related improvements including snow fencing and dune stabilization plantings
- Stairs and walkways for beach access and dune preservation
- Necessary municipal buildings and structures for public safety and convenience including:
  - First aid stations, Life guard stations, Comfort stations, Boardwalks, Pavilions, Piers
- Related facilities, necessary shore protection and stabilization improvements including jettys, groins, bulkheads and related structures.



# Permitted Uses: ON-BD Zone and Adjacent Areas

## On-Boardwalk Zone (ON-BD)

- **Retail Stores**, such as: Art Galleries, Bicycle Rentals/Sales, Hoppy Shops, Specialty Clothing Boutiques, Antique Shops, Bookstores, China/ Glassware & Metalware Shops, Clothing/ Apparel & Accessory Shops, Leather Goods Shops, Gift/ Novelty & Souvenir Shops, Jewelry Shops, Camera and Photographic Supply Stores.
- **Entertainment Facilities**, such as: Indoor Theaters, Dinner Theaters, Auditoriums, Roller/ Ice-Skating Rinks.
- **Amusement Facilities**, such as: Miniature Golf Courses, Arcades, Shooting Galleries, Amusement Rides, Other Similar Uses.
- **Restaurants and other eating facilities**, such as: Frozen Dessert Shops, Outdoor Restaurants, Retail Bakeries, Other Similar Eating Facilities.
- **On-Site Parking Facilities**, and **Essential Services**
- **Permitted Accessory Uses:** On-site storage of goods incidental to retail businesses, Signs, and Manufacturing associated with boardwalk businesses

*\*\*There are ENC (existing non-conforming) residential uses*



# Permitted Uses: ON-BD Zone and Adjacent Areas

## Hospitality Zone (HZ)

**Permitted Uses:** Motel, Hotel, Rooming/Guest House, Bed-and-Breakfast, Restaurant, Retail Sales, Retail Service, Commercial Parking lot, Satellite Hotel, Triplex\*, Quadruplex\*, Multifamily Dwellings\*, One – and Two-Family Dwellings\*, Mixed-Use, Essential Services and Rental Management Services.

*\*on lots existing prior to the effective date of this ordinance*

**Permitted Accessory Uses:** Swimming pools and other recreational facilities, Bicycle Rentals, Business Centers, Meeting and Conference Facilities, On-site storage of goods incidental to conduct of the principal use, Storage of Solid Waste and Recyclable materials, Fences & Walls, HVAC Equipment, Signs, Off-Street Parking and Loading Facilities, Landscaping, Manufacturing clearly incidental to the retail business.

**Conditional Uses:** Places of Worship



# Existing Zoning: ON-BD District Regulations

Building Criteria	ON-BD Regulation
Maximum Building Height	1 ½ stories <sup>(A)</sup>
(Stories/Feet)	13 feet <sup>(A) (B)</sup>
Minimum Lot Area	Interior: 2,250 square feet
	Corner: 3,000 square feet
Minimum Lot Width and Frontage	Interior: 30 feet
	Corner: 40 feet
Minimum Lot Depth	100 feet <sup>(E)</sup>
Minimum Front Yard	0 feet to 20 feet <sup>(C)</sup>
Minimum Side Yard (Each/Aggregate)	none
Minimum Rear Yard	25 feet <sup>(D)</sup>
Maximum Building Coverage	80 percent
Maximum Impervious Coverage	80 percent

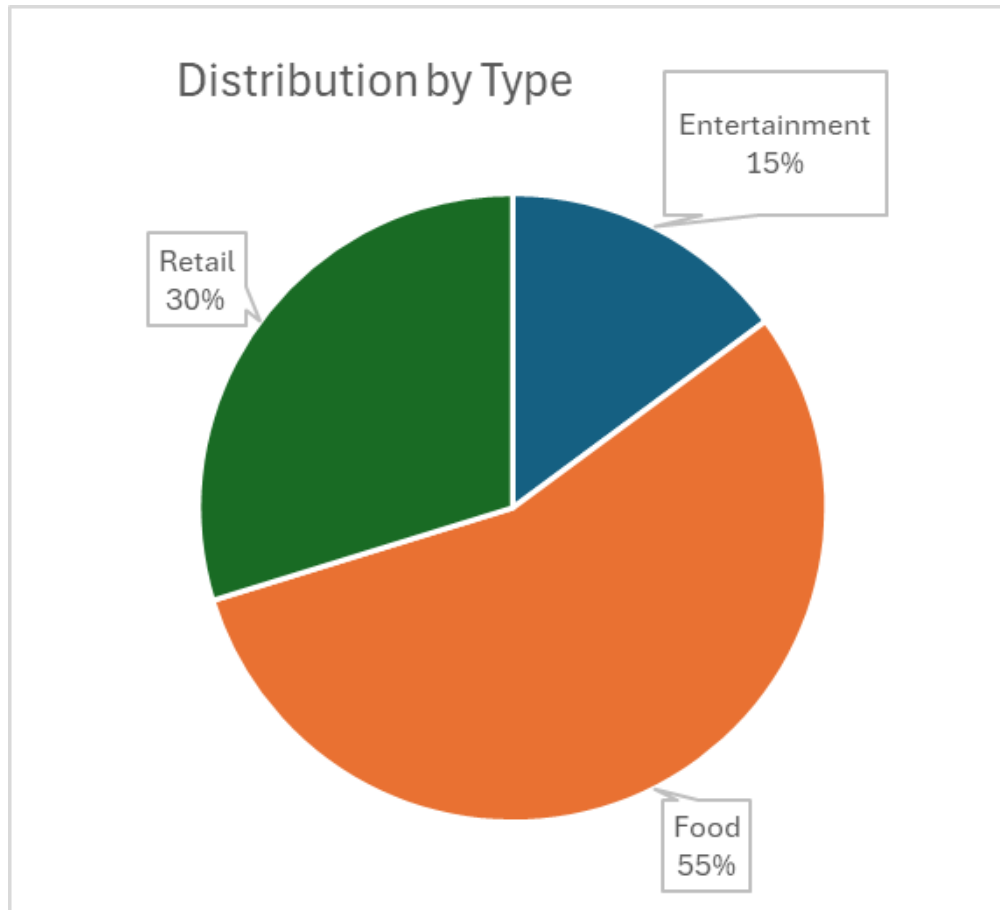
## Notes

- (A) Building height may be increased by an additional story not to exceed 12' in height, provided that said story is set back from the front yard setback line a minimum of 10 feet.
- (B) No height limitations for amusement rides and uses.
- (C) Dependent on street, refer to *Schedule B Schedule of Front Yard Setback Depths by Street – Commercial Zones* in City Code § 25-209.2.
- (D) Buildings fronting on the boardwalk shall require no setback from the boardwalk. The rear yard in the On-BD zone shall be the portion of the lot not fronting on the boardwalk.
- (E) Lots with less than the required depth at the time of adoption of this Ordinance shall be deemed to be conforming.



# Boardwalk Inventory

The Subcommittee has put together an inventory of the businesses that exist on the boardwalk today.

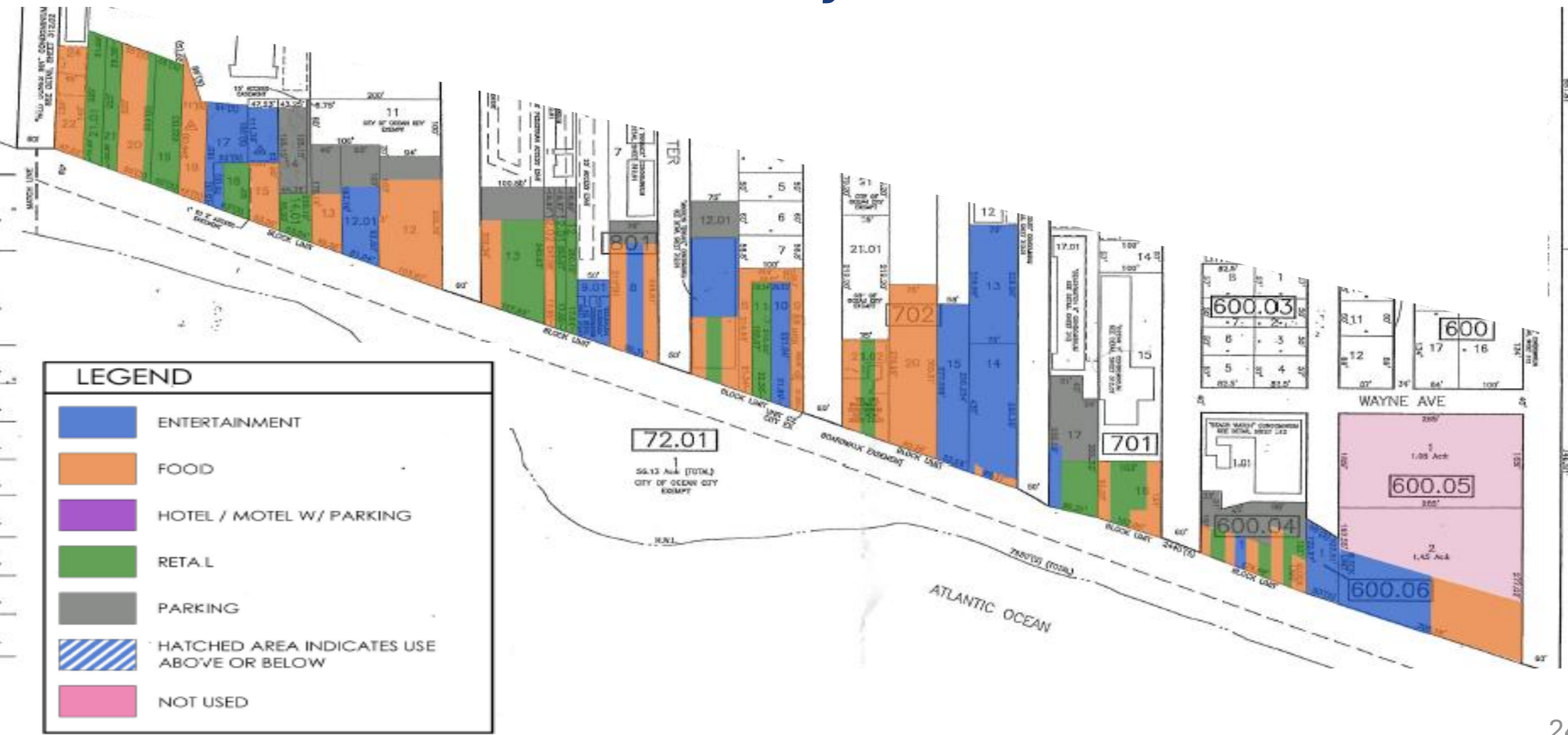


Fun Facts	
Total Number of Businesses	168
Food	92
Retail	51
Entertainment	25

The business classification type was further refined into subcategories, such as candy, takeout, food service, dine-in, golf, retail, and specialty businesses, among others.

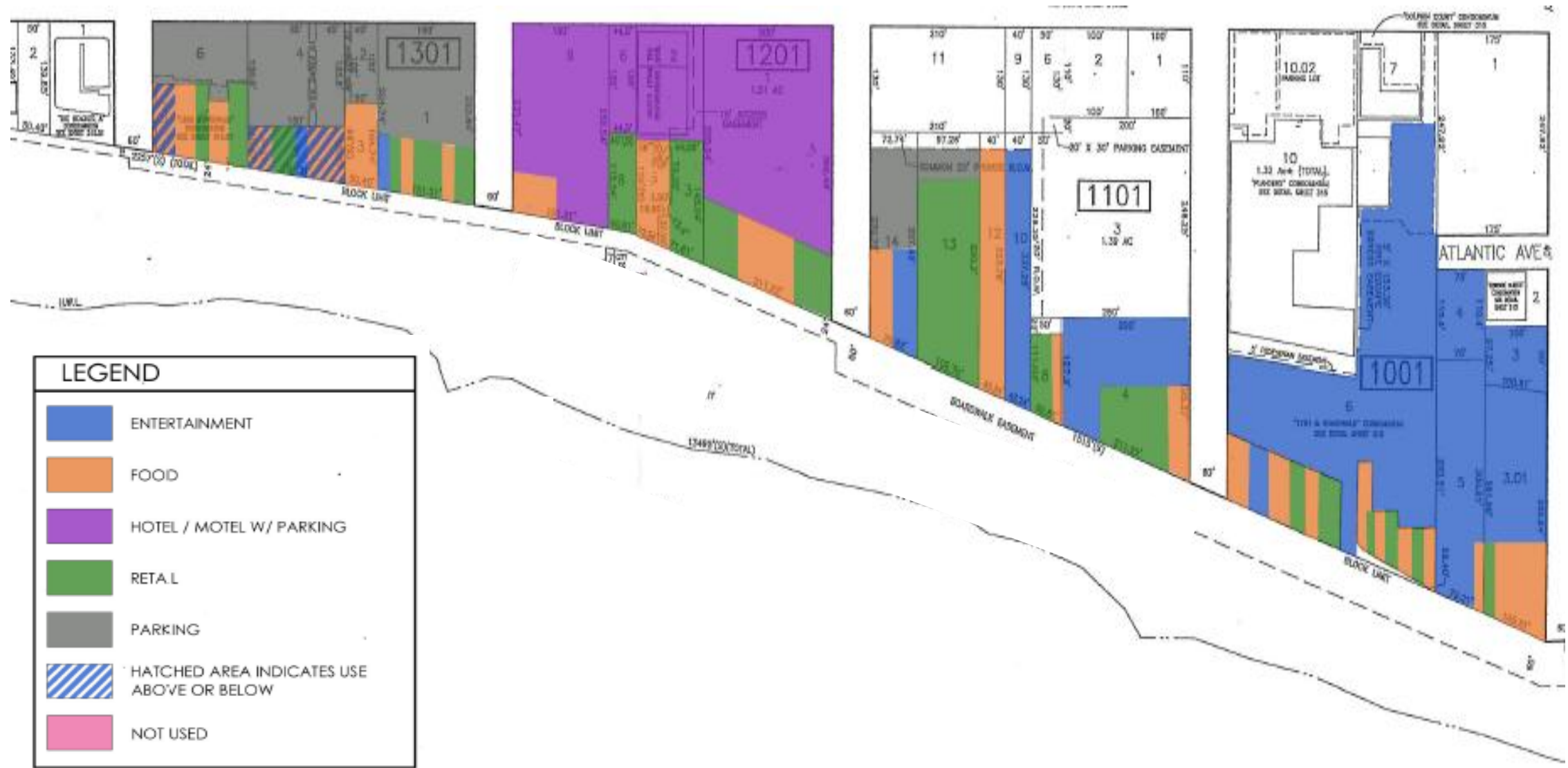


# Boardwalk Inventory – 6th thru 10th Streets





# Boardwalk Inventory – 10th thru 14th Streets





# Existing Residential Inventory On-Boardwalk Zone



Number of properties: 10  
Number of Units: 26





# Hotel Information

The following information pages contain various data points about hotels.

Please note that “HOTELS” are defined as hotels, motels, condo hotels, B&B’s or other similar transient accommodations.

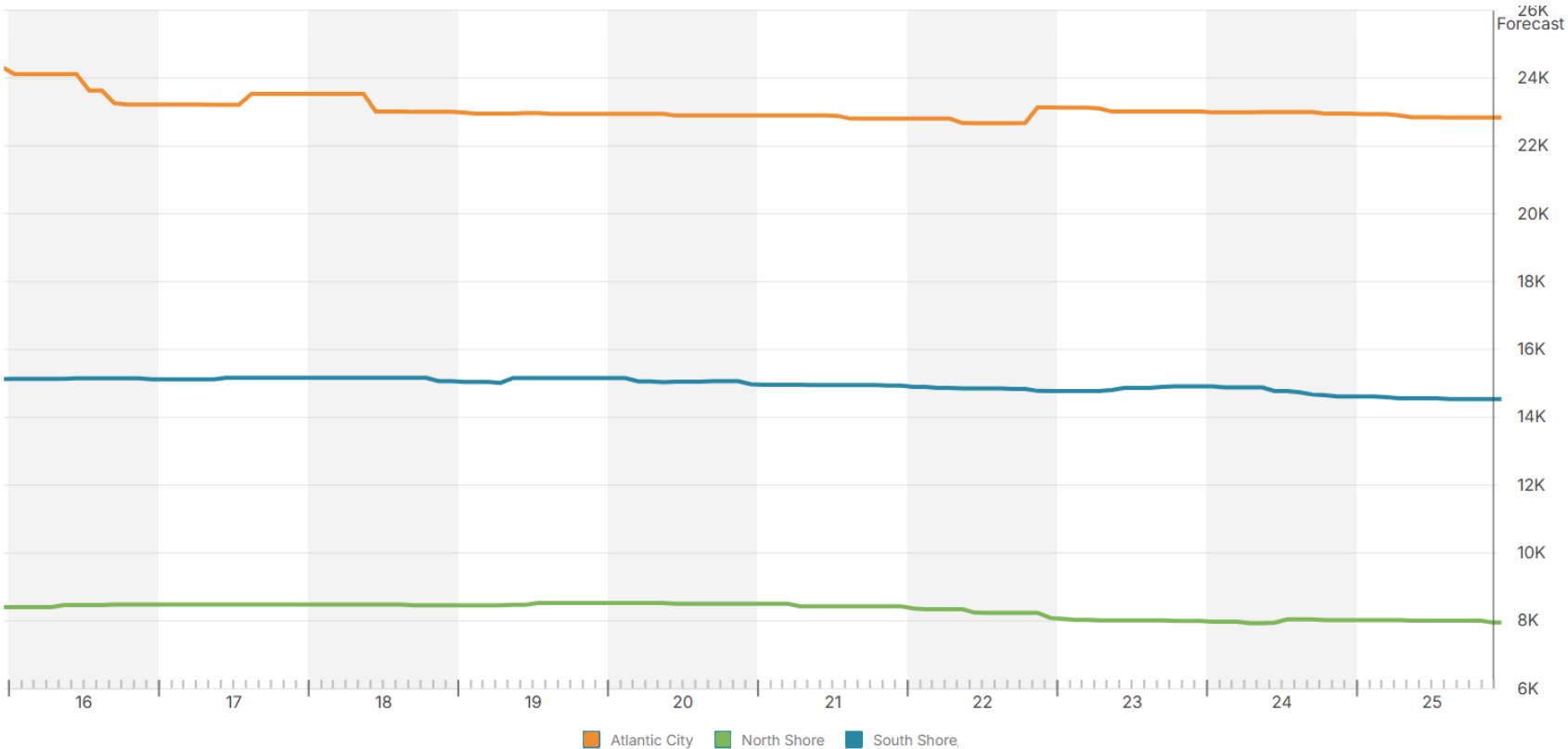


# Hotel Data

## Submarket Findings: Room Inventory (10 Years)

Submarket Jersey Shore hotel room inventory has been relatively flat with a slight overall decline, 2016-2025

Hotel Room Inventory: Atlantic City, South Shore, and North Shore



**2025:**  
**Atlantic City:**  
22,825  
**South Shore (includes Ocean City):**  
14,523  
**North Shore:**  
7,934

Source: Room Inventory by CoStar Submarket

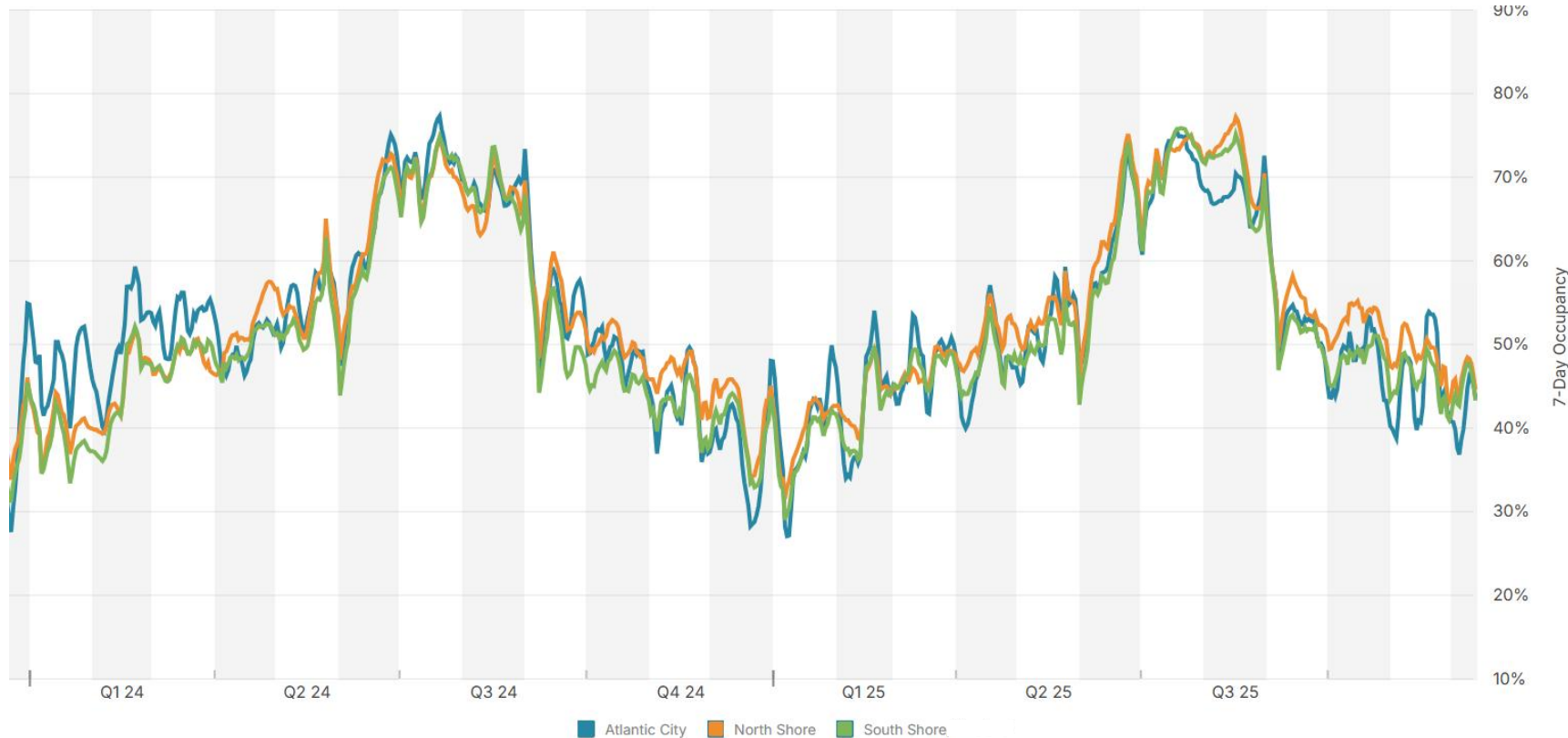


# Hotel Data

## Submarket Findings: Occupancy (2 Years)

7-day occupancy trends are similar across all submarkets with seasonal peaks in summer months.

Hotel Room Occupancy: Atlantic City, South Shore, and North Shore



**2025:**

Atlantic City:  
44.5%

South Shore:  
43.5% (includes OC)

North Shore:  
43.2%

Summertime peaks  
across all three markets  
~ 75% occupancy

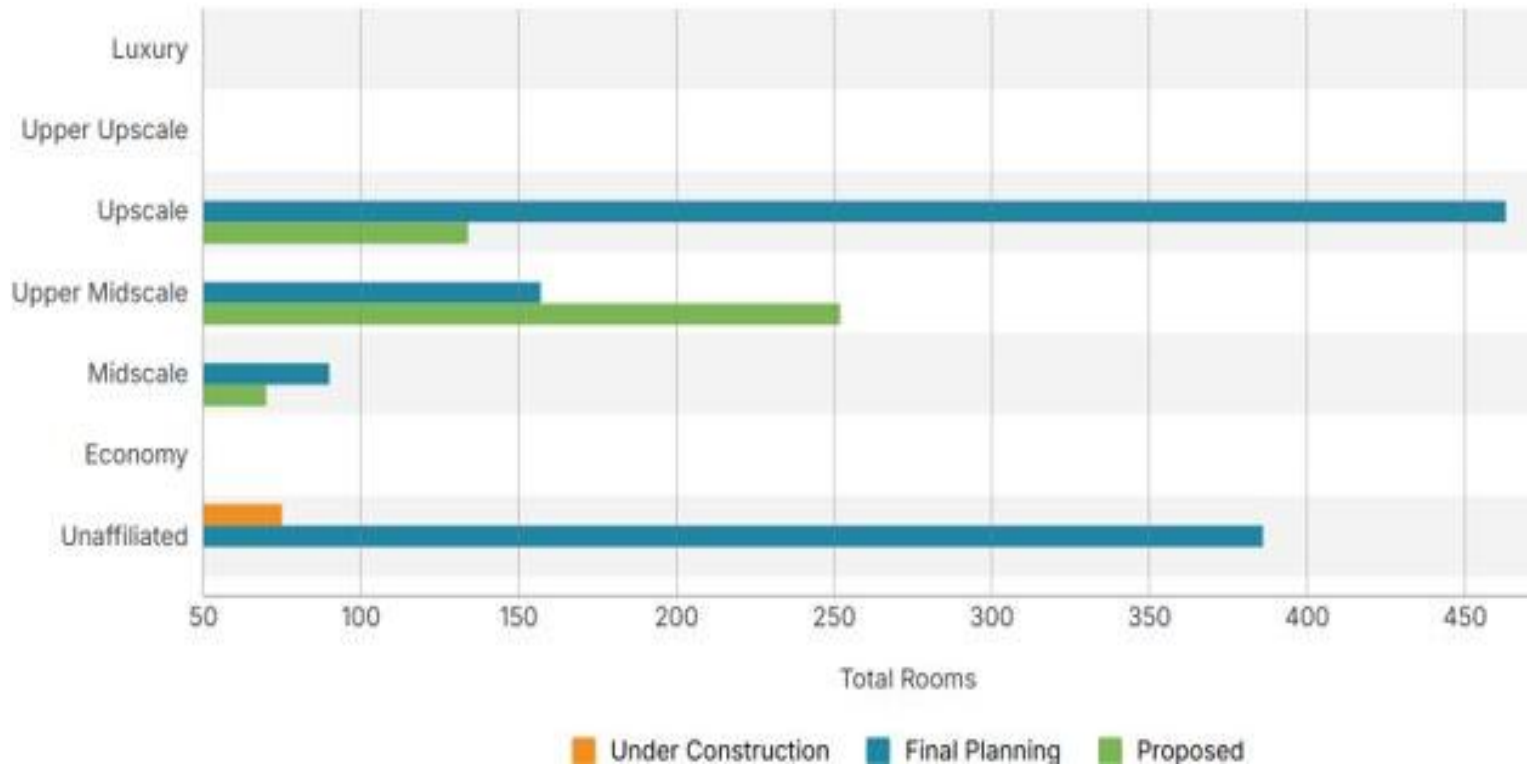
Note: Data does not extend further back, and is not available at a more granular scope  
Source: Room Inventory by CoStar Submarket



# Hotel Data

## Jersey Shore Hospitality Market Trends Sandy Hook to Cape May

### Pipeline By Scale



Roughly 1,500 rooms are in the pipeline for construction across the Jersey Shore. More rooms have been demolished over 10 years than have been delivered.

As of 2025, NJ Shore market comprises 580 hotel properties with 45,000 rooms

- 19,000 Upscale and Upper Midscale rooms
- 14,000 Midscale and Economy rooms
- 13,000 Luxury and Upper Scale rooms

### Pipeline:

- Approximately 75 rooms are currently under construction
- 472 rooms are proposed In Cape May County alone
- 1,096 rooms are in final planning stages

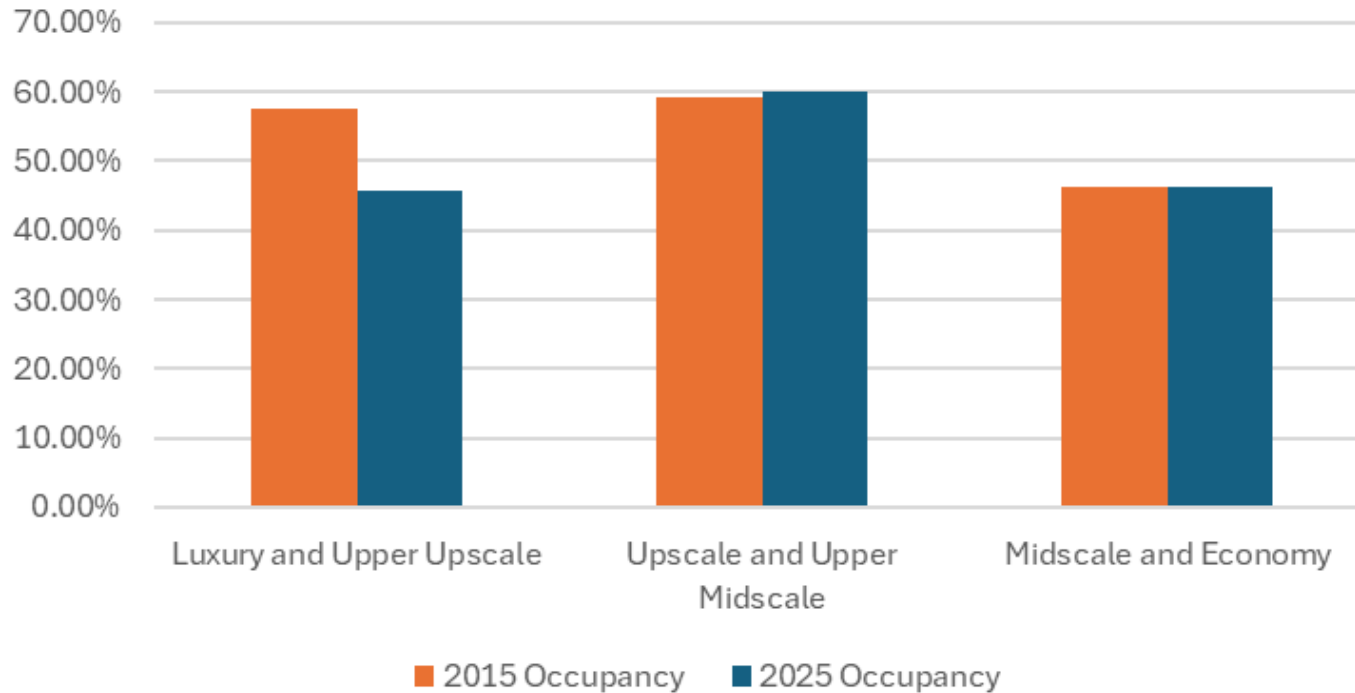
Source: CoStar 2025



# Hotel Data

## *Jersey Shore Occupancy Trends Sandy Hook to Cape May*

### Occupancy Rates by Class



Current 12-month occupancy rate is 52%, a 2% decrease from this time in 2015.

Demand for Luxury and Upper Upscale rooms dropped the most in the pandemic and has not recovered.

The 2-year forecast projects:

- About the same in Luxury/Upper Upscale (45.1%)
- A slight drop in Upscale/Upper Midscale (58.5%)
- An increase in Midscale/Economy (48.6%)

Source: CoStar, 2025. Note: Classes defined by CoStar based on average daily room rates.



# Hotel Data

## Ocean City and Cape May County Comparison

### Ocean City, NJ and Cape May County, NJ

	Ocean City, NJ	Cape May County, NJ
<b>Number of Hotels</b>	27	271↑
<b>Total Number of Hotel Rooms</b>	1,216	11,324↑
<b>Hotel Rooms per Square Mile</b>	258	45↓

Source: CoStar

### Cape May County

- Total of 271 hotel properties with 11,324 rooms
- Room mix: 38% upper midscale/upscale, 36% economy/midscale, 26% upper upscale/luxury
- Two hotels temporarily closed for renovations
- One 75-room hotel currently under construction
- Three “proposed” hotels with a total of 472 rooms would increase county room supply by just over 4%. Includes proposed Icona at Wonderland, Icona Cape May and Clermont Lodge.
- **Ocean City**
  - Comprises 11% of Cape May County’s hotel rooms
  - 2 Full-Service Hotels currently in operation



# Hotel Data - *Coastal Trends*

**The Mid-Atlantic region is experiencing a resurgence in coastal resort trends, with a strong emphasis on waterfront properties and luxury experiences:**

## **Waterfront Luxury**

- Resorts are increasingly focusing on waterfront locations, offering stunning views and easy access to the ocean.

## **Family-Friendly Amenities**

- Resorts are catering to families with amenities like spas, golf courses, and activities that cater to both children and adults.



# Hotel Data - *Coastal Trends*

The Mid-Atlantic region is experiencing a resurgence in coastal resort trends, with a strong emphasis on waterfront properties and luxury experiences:

## Luxury Dining and Experiences

- Coastal resorts are enhancing their dining experiences with sophisticated design, immersive guest experiences, and elevated southern dining

## Community Engagement

- Many resorts are now deeply rooted in the communities they serve, offering a sense of drama and local immersive experiences about local culture and a place that separates them from the rest.

These trends reflect a growing appreciation for the natural beauty and cultural richness of the mid-Atlantic region, making it an ideal destination for travelers seeking a coastal retreat.



# Ocean City Parking Data





# Ocean City Parking Data

- Parking lot revenue data is compiled by the City and was obtained by the Subcommittee for review
- There are 8 parking lots that this data was collected for:

- 9<sup>th</sup> Street South
- 9<sup>th</sup> Street North
- Moorlyn Terrace
- 8<sup>th</sup> Street North\*
- 8<sup>th</sup> Street South
- High School Tennis
- 5<sup>th</sup> Street and Boardwalk
- 6<sup>th</sup> Street

	2023	2024	2025
<b>Total Parking Lot Revenue</b>	\$2,416,032	\$2,464,887	\$1,955,710
<b>Total Number of Parks</b>	125,827	131,995	110,316
<b>Total Number of Parking Spaces</b>	977	974	933
<b>Total Average Per Park</b>	\$19.20	\$18.67	\$17.73
<b>Total Average Per Spot</b>	\$2,472.91	\$2,530.68	\$2,096.15

\* Replaced by Police Station

- Note: Parking volume is very weather dependent



# Ocean City Beach Tag Revenue

Beach tag revenue is collected by the City and was obtained by the Subcommittee for review

REVENUE	2021	2022	2023	2024	2025
Daily Price	\$5	\$5	\$10	\$10	\$10
Weekly Price	\$10	\$10	\$20	\$20	\$20
Seasonal Price	\$25	\$25	\$35	\$35	\$35
Total Revenue	\$4,211,000	\$3,993,038	\$6,089,390	\$6,237,000	\$5,900,000
YOY Change	<b>9.86</b>	<b>-5.18%</b>	<b>*52.5%</b>	<b>2.42%</b>	<b>-4.88%</b>

\* Fee increase

VOLUME	2021	2022	2023	2024	2025
Daily Tags	184,648	177,350	157,424	167,180	144,149
Weekly Tags	52,397	46,692	37,854	37,615	35,210
Seasonal Tags	132,933	127,996	122,296	123,975	122,803
Total Tag Sales*	376,113	358,373	324,144	336,895	309,142
YOY Change	<b>4.88%</b>	<b>-4.72%</b>	<b>-9.55%</b>	<b>3.66%</b>	<b>-7.99%</b>

\*Includes Military Tags: (6,900 in 2025)



# Amusement Park Challenges

## Key Takeaways\*

- Amusement parks face significantly more challenges than other front operating businesses in NJ:
  - Short season of 8-10 weeks to cover a 52 weeks of expense
  - NJ school calendar creates hiring challenges
  - Weather and environment (salt) destroys parts and equipment
  - Hiring of certified staff
  - Time and cost to get and certify new rides
  - Burdensome regulatory process/ ride certification is very intense.
    - State laws and federal regulations often are at odds leaving operators in a regulatory nightmare that ultimately keeps rides closed .
  - Cost of land, property taxes and insurance have had major increases-more than double in some cases
  - Today's guests search for bigger attractions that do not fit on the smaller parks at the shore that you will find at six flags, Disney, etc .
  - Ocean City amusement parks specifically face the challenge of no alcohol sales and no legalized games of chance, skill games or midway games which are big revenue pieces and also play a vital role in the overall operation and allure for guests at other Amusement Parks.

\*Per Kimberle Rolle Samarelli, Executive Director, New Jersey Amusements & Attractions



# Rutgers Study (2010)

Rutgers University has long been interested in understanding the composition of the Ocean City boardwalk and exploring opportunities to enhance and build upon its existing successes.

## Ocean City Hotel and Motel District Study

### *Key Takeaways:*

- **Flexible Mixed-Use Zoning:** Adopt a new Multi-Use Resort (MUR) zone that focuses on building form, height, and parking—allowing hotels, residences, and shops to coexist while maintaining Ocean City’s family-friendly character.
- **Catalytic Redevelopment Sites:** Transform municipal lots at 8th and 9th Streets into signature mixed-use destinations with hotels, entertainment, structured parking, and public spaces.
- **Enhanced Identity and Experience:** Improve walkability, aesthetics, and transit while promoting a “Healthy Living” and faith-based brand to extend the tourism season and reinforce Ocean City’s family resort identity.



# Rutgers Study (2010) “Visualized Concepts”

*9<sup>th</sup> Street Development*



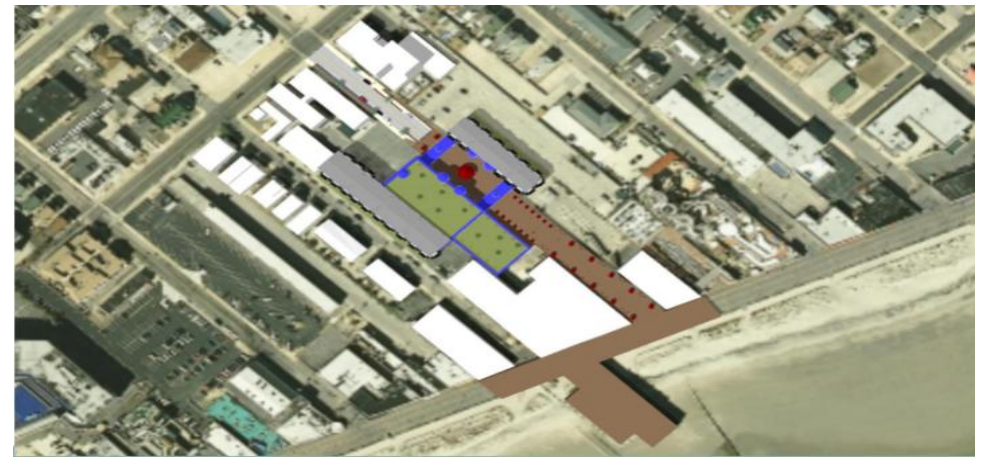
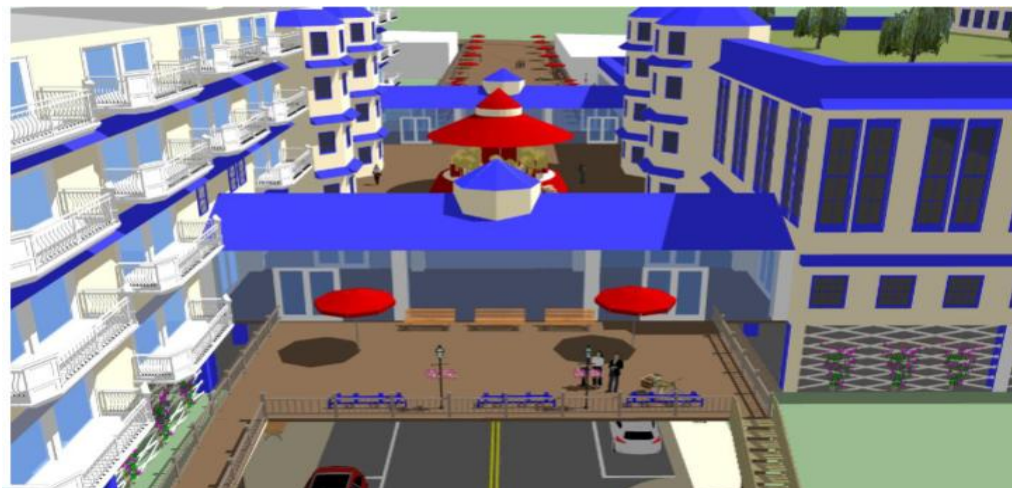
*9<sup>th</sup> Street Development*



For illustrative conceptual purposes only



# Rutgers Study (2010) “Visualized Concepts”



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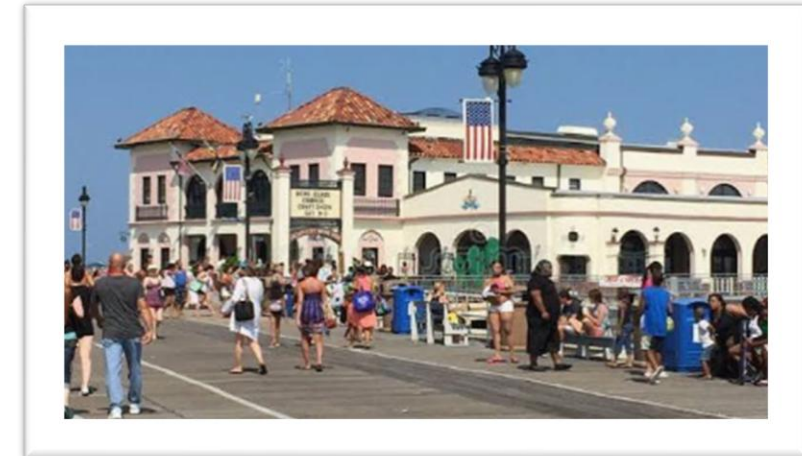


# Stakeholder Interviews

As part of this process, an outside consultant (VHB Engineering, Surveying, Landscape Architecture and Geology, P.C. [VHB]) was retained to conduct interviews with key stakeholders directly involved with the boardwalk and waterfront in various capacities. The survey was limited in scope as the sample size was small.

The purpose of these interviews was to draw on the expertise and insights of community members closely connected to the boardwalk, helping to develop a comprehensive understanding of its current conditions and future potential.

Specifically, VHB interviewed five stakeholder groups, including residents, business owners, hotel operators, and City representatives. Each participant responded to a standardized set of questions, with the opportunity to provide additional information and commentary as they deemed appropriate.





# Stakeholder Interviews

## **Key Takeaways:** *(Limited survey size)*

- Preserve Ocean City's family-friendly, historic character while embracing selective modernization that strengthens, not replaces, its charm.
- Foster year-round vitality through off-season events, improved design standards, and weather-resilient attractions.
- Balance tourism and local needs by keeping the boardwalk affordable, inclusive, and supportive of small businesses.
- Encourage diverse, experience-driven uses including stronger dining, cultural venues, and community spaces instead of repetitive retail.
- Guide growth carefully to protect scale, views, and authenticity; avoid over-commercialization.
- Reinvest strategically in infrastructure, landmark restoration, and policy updates that sustain long-term economic and cultural vibrancy.



# Comparison Communities

The following **five peer communities** have been identified for comparative analysis:

- Ocean Grove, New Jersey
- Point Pleasant Beach, New Jersey
- Cape May, New Jersey
- Wildwood, New Jersey
- Rehoboth Beach, Delaware

These peer communities have been selected based on a combination of factors:

- All Atlantic coastal beach towns with a boardwalk or ocean promenade
- Their local economies fundamentally rely on tourism
- Similar geographic size and population to Ocean City
- Some are also dry communities
- Similar economic/development concerns



# Comparison Communities

	Ocean City, NJ	Ocean Grove, NJ	Point Pleasant Beach, NJ	Cape May, NJ	Wildwood, NJ	Rehoboth Beach, DE
<b>Dry or Not</b>	Dry	Dry	Not dry	Not dry	Not dry	Not dry
<b>Length of Boardwalk (miles)</b>	2.5±	0.5±	1.0±	2.0±	2.5±	1.0±
<b>Land Area (square miles) (excluding water)</b>	4.72	0.37	1.42	2.47	1.54	1.17
<b>Population</b>	11,229	3,057	4,766	2,789	5,157	1,108
<b>Population Density (people per square mile)</b>	1,663	8,262	3,356	1,129	3,349	947
<b>Median Age</b>	57	62	47	54	48	63
<b>Median Household Income</b>	\$101,782	\$74,410	\$131,641	\$57,230	\$51,996	\$141,250
<b>Median Value of owner-occupied housing units</b>	\$719,100	\$764,200	\$813,500	\$823,800	\$361,200	\$1,238,400
<b>Median Gross Rent</b>	\$1,670	\$1,212	\$1,717	\$1,013	\$1,255	\$1,391



# Comparison Communities

	Ocean City, NJ	Ocean Grove, NJ	Point Pleasant Beach, NJ	Cape May, NJ	Wildwood, NJ	Rehoboth Beach, DE
<b>Number of Hotels/Motels/Inns</b>	27	17	14	58	77	35
<b>Number of Hotel Rooms*</b>	1,216	342	503	2,014	2,995	2,301
<b>Hotel Rooms per Square Mile</b>	258	924	354	815	1,945	1,967
<b>Relevant Zoning Districts</b>	On Boardwalk / Hospitality Zone	Historic District Recreation	Resort Commercial / Resort Residential 1	C-2 Beach Business District / C-3 Hotel-Motel District	Boardwalk Redevelopment Zone / Tourism	Open Space / Central Commercial / Commercial-Amusement District

\* Ocean City has the smallest number of hotels rooms among the large resort communities listed above.

# Key Takeaways





# Phase I - Key Takeaways

## Physical & Land Use Indicators

- Zoning regulations (ie. mass, bulk and scale) strongly shape the boardwalk experience
- Variety of uses include 168 Businesses and 26 Residential Units
- Consideration to previous masterplan recommendations
- Opportunity for improvement/ reinvestment into buildings



# Phase I - Key Takeaways

## Economic Indicators

- Hotel data shows flat growth, but interest in more upscale accommodations
- Boardwalk Zone city parking utilization indicates an opportunity to explore innovative ways to use Parking as a means of more effectively supporting the City's tourism activity
- Beach Tag revenue is down slightly from 2024-2025
- Sales Tax Revenue has been a steadily increasing from 2020-2024
- Amusement Industry faces growing challenges; no new parks opened since 1984



# Phase I - Key Takeaways

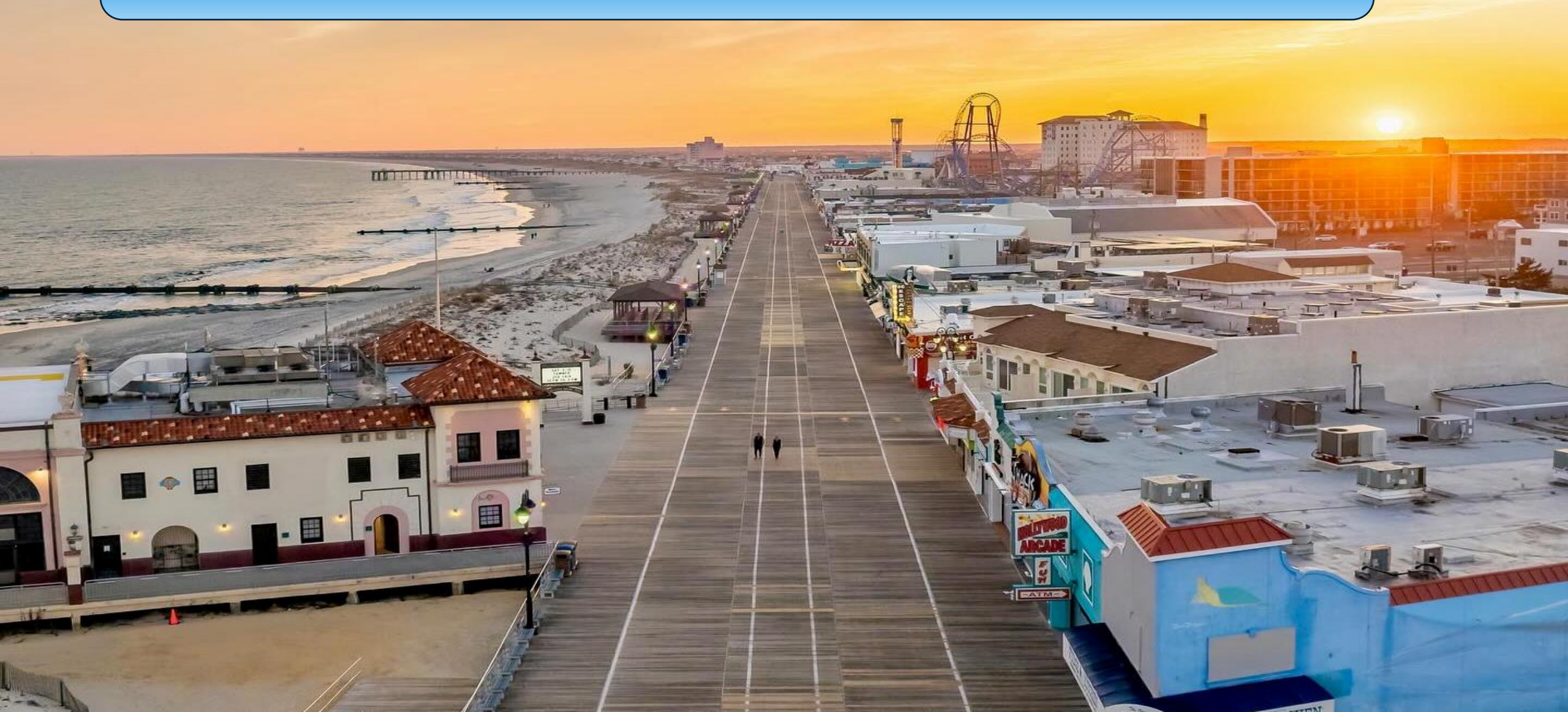
## Social & Cultural Indicators

- Consideration to Rutgers Study
- Stakeholder interviews prioritize family friendly character of OC with a desire for long term economic and cultural vibrancy

## Comparative Benchmarks

- Comparison Communities share similar economic/development challenges and may provide insight to their successes/challenges

# Additional Research & Findings





# Regulatory Environment (NJDEP)

## Erosion Hazard Area (EHA)

Erosion Hazard Area (EHA) is an area between the boardwalk and the ocean and “may” have implications for future on-boardwalk zone development

### The 60 Year Calculation

- For anything other than a 1-4 residential unit, the EHA is calculated by multiplying the annual erosion rate by 60 years to the measurement point.
- The measurement Point is the crest of the dune.
- Prohibited uses: residential and lodging are strictly prohibited in the EHA. Only single story tourism oriented developments are allowed, provided they do not exceed 15 feet in height.



# Regulatory Environment (NJDEP)

## Scenic Resources and Design Rules

### View Corridors:

- Developers must provide an open view corridor perpendicular to the water that accounts for 30% of the property's frontage.

### Height-to-Setback Ratio:

- Buildings taller than 15 feet must be set back from the boardwalk bulkhead by a distance equal to two times their height (e.g., a 35-foot building must be 70 feet back).

### The Infill Exception:

- These height and setback rules can sometimes be bypassed if a project is an "infill site" - meaning it is being built between two existing tall structures, like the Flanders Hotel and another adjacent hotel.



# Regulatory Environment (NJDEP)

## **CAFRA Individual Permits:**

- Most boardwalk projects will likely require an Individual Permit rather than a general one because they rarely fall into simple categories like "minor reconstruction".

## **Reconstruction Rule:**

- A general permit might only be possible for reconstructing a commercial development if it meets strict eligibility requirements and adds no more than 750 square feet to the footprint.

## **Environmentally Sensitive Area:**

- In March 2025, Ocean City was reclassified from a "coastal regional center" (which allowed 70% impervious coverage) to an "environmentally sensitive area," which restricts new development on open fields to only 5% impervious coverage.

## **Tree Planting Requirement:**

- For existing sites with more than 5% coverage, the DEP now requires that 5% of the impervious area be converted to trees (e.g., a 100x100 foot lot would need to dedicate 500 square feet to tree planting).



# The REAL Act and Flooding

## Resilient Environments And Landscapes

- The **CAFE** Rule: (Climate **A**ddjusted **F**lood **E**levation)
  - Adds two (2) feet to the base flood elevation (BFE) for residential buildings
    - *(Top of 1<sup>st</sup> floor shall be BFE(Base Flood Elevation) +5; previously it was BFE + 3)*
  - Commercial Flexibility: Unlike residential development, commercial projects can still use wet-proofing or dry-proofing for lower elevations, which may offer more flexibility for the Boardwalk.



# Regulatory Environment Summary

The noted regulatory aspects need to be further researched by a professional planner and/or environmental engineer) on a site specific basis to determine, what, if any, impact the regulations have on any development in the On-Boardwalk zone.

The Department of Environmental Protection (DEP) would be the appropriate regulatory body to identify the impact, if any, these regulatory rules have on future Boardwalk development.



# The Avalon Model (Overlay Zone Example)

A boutique hotel shall have at least one (1) full-time employee onsite and shall provide daily maid service.

- Retail shops and restaurants shall be located on the ground floor.
- Comprehensively planned, full-service retail, dining, and entertainment complex
- Consists of a diversity of uses, attractions, and amenities as may be necessary or desirable to create a building functioning as a hotel complex.
- Hotel rooms shall not have an efficiency kitchen nor stove and are permitted to have a mini refrigerator, microwave, and coffee maker.
- 1 parking space for each room & a minimum of one (1) parking space per 1000 square feet of restaurant space.
- Occupancy for no longer than 14 days

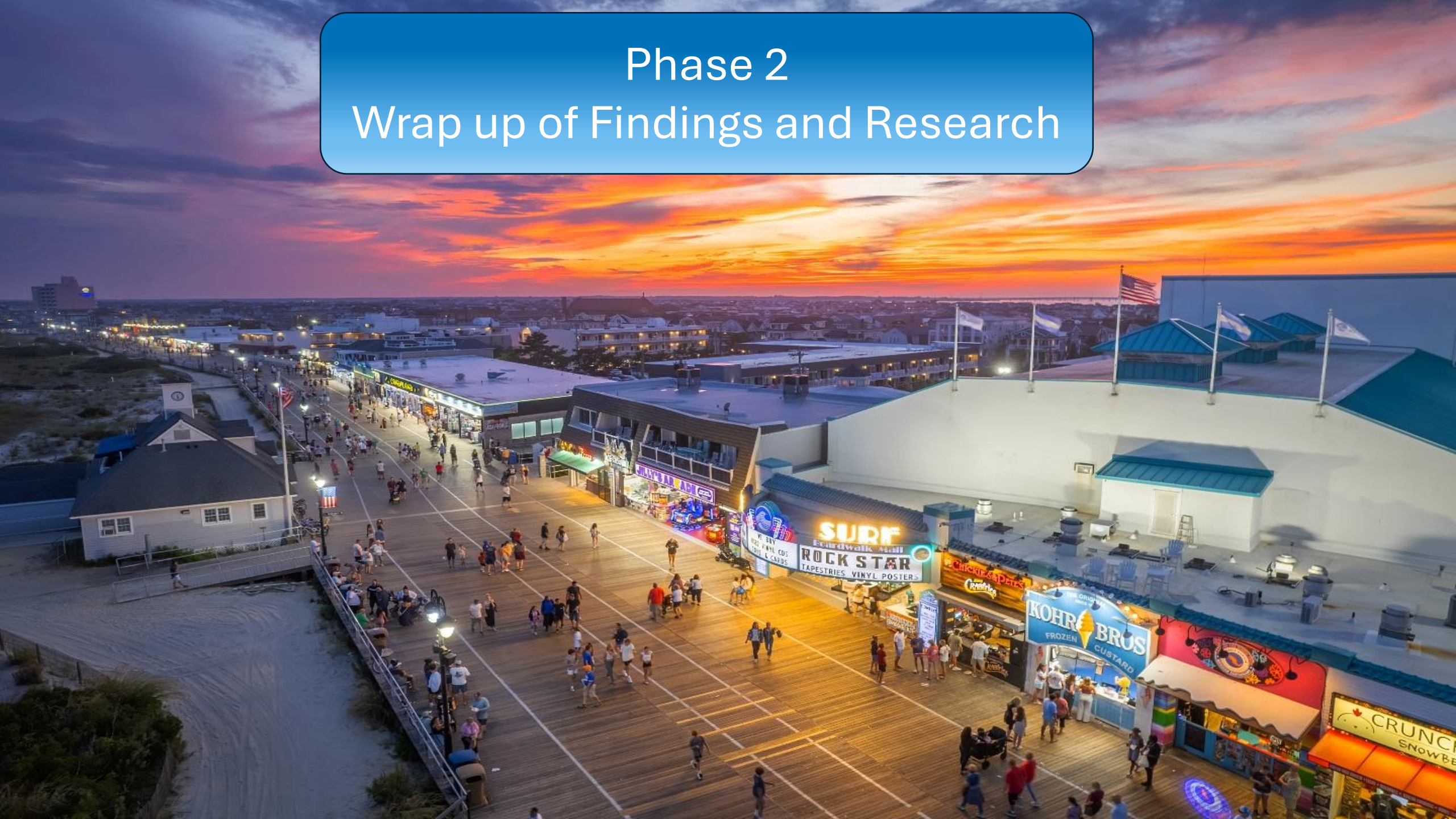


## More thoughts from the Committee

The “Boardwalk” itself is an entertainment venue, not just a roadway to retail stores. It is also a gateway to the Ocean City “brand” of entertainment

# Phase 2

## Wrap up of Findings and Research





# A Wrap up of the Findings and Research

## Structural Challenges

- Business mix imbalance
- Entertainment historically main draw
- Current mix is inverse of healthy resort district
- Retail/food rely on strong attractions
- Wonderland Pier closure weakened ecosystem



# A Wrap up of the Findings and Research

- Generational shifts in travel behavior
- More multi-generational travel
- Demand for modern amenities and curated experiences
- Shorter stays coupled with “work” from vacation location
- Competitors investing heavily in upgrades



# A Wrap up of the Findings and Research

## The Modern Visitor

Hospitality has undergone a fundamental shift from predictable stays, marked by uniformity and convenience, toward unique, authentic experiences that guests can't find anywhere else.

**47% of travelers** are now opting for **multigenerational family trips**, a **17% increase** from 2024. This growing trend reflects a desire to bring together grandparents, parents, and children for shared experiences that create lasting memories.

Today's travelers are no longer content simply checking into a hotel; they crave unique, personal experiences that create lasting memories and meaningful stories. Visitors look to embrace the local surroundings, culture, and stories stand out, win loyalty, and outperform competitors without the local culture as part of the visit

Guests rarely recall their room details alone; they remember the unique places and experiences they had during their stay.

**"Me-kends" and Short Trips:** A rise in shorter, more frequent "micro-cations" to escape, rather than just one long annual vacation.



# A Wrap up of the Findings and Research

## Parking

Ocean City has implemented a comprehensive parking campaign called “Always a Spot,” aimed at providing convenience and ease to both residents and visitors alike.

This has been a welcome addition for boardwalk visitors looking for parking, yet more can be done to better “yield” by implementing dynamic parking rates at the boardwalk parking lots.



# A Wrap up of the Findings and Research

- Current ON-BD rules limit modern development
- Prevents mixed-use, resort-style concepts
- Inhibits reinvestment and innovation
- Current zoning does not provide any incentive for entertainment uses
- Need for forward-looking solutions
- Competitive pressure from peer resort towns



## The Boardwalk Sub-Committee's research leads to the following conclusion

The Committee research suggests major general demographic shifts in the way people travel, recreate, pursue entertainment, lodge, shop, and dine require Ocean City to invest in updating and elevating it's overall tourism offerings to remain competitive. This opportunity is particularly compelling for the ON-BD zone.

A combination of new development and improvement of existing facilities can strengthen and support Ocean City's unique family friendly brand by elevating the visitor and resident experience. Investments can offer exciting new facilities, enhance existing ones, offer new experiences and diversify offerings in various categories.



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And finally.....

The Boardwalk is facing a multi-pronged set of challenges and opportunities that updating the On-BD zoning ordinance can help to address.

# RECOMMENDATIONS





# Recommendation Overview

The Boardwalk Sub-Committee through extensive and diverse research, has made **10** data driven recommendations to set the course for the success of the future of the boardwalk, while preserving the unique culture, heritage and brand that is cherished by thousands of visitors, merchants and residents.



# Recommendation 1

Implement recommendations from the Masterplan Re-examination report, dated January 2019 that were not implemented

*The On-Boardwalk Zone established in § 25-201.2 of this Ordinance is intended to reserve a portion of the Atlantic Ocean frontage exclusively for resort commercial and commercial recreational use adjacent to the Boardwalk from 6th Street to 14th Street for a distance of 200' inland from the Boardwalk*

*This zone contains one of Ocean City's major resort attractions, consisting of many small specialty shops, boutiques, restaurants, amusement and entertainment facilities abutting a sunlit planked promenade with an unobstructed ocean view, which encourages leisurely sitting, strolling, jogging and bicycling for pleasure, recreation and health.*

**Adopted:** Deleted for distance of 200' Inland from the Boardwalk;

**Not Adopted:** Permit residential dwellings above commercial units subject to adequate parking, appropriate bulk controls and design standards



## Recommendation 2

- Engage an environmental engineering firm to fully evaluate CAFRA regulations and REAL (Resilient Environments and Landscapes), Scenic Resources and Design Rules, and other applicable rules as they relate to development along the Boardwalk.
- This evaluation should include coordinating with the DEP and identifying the Erosion Hazard Area as it relates to the area from 6th Street to 14th Street.



## Recommendation 3

Parking has been consistently discussed as an issue to be addressed.

- Implement Dynamic Parking and smart apps so that pricing can be used to push traffic when and where desired,
- Increase utilization and revenue based on real time demand
- Use smart app like ParkMobile to give visitors real time information on price and availability
- Implement a unified system that is consistent across all public lots
- Improve vehicle and pedestrian wayfinding signage throughout the existing street network with an emphasis on public parking lots.



# Recommendation 4

Establish Conditional uses to the current Zoning regulations:

- Allow residential units on top of stores:
  - Design in keeping with masterplan consistency
  - Up to two stories on top of existing one-story buildings with the additional stories be set back from the front yard setback line (Boardwalk) a minimum of 10 feet and any roof line shall not penetrate an imaginary line by an angle of 41% minimal angle from Boardwalk which would require tiered setbacks.
  - Subject to adequate parking and other existing zoning regulations

Promote development consistent with coastal resiliency and preserve the tiered set back requirement.



# Recommendation 5

Establish Conditional uses to the current Zoning regulations

- Any hotel development would require:
  - Design in keeping with long term vision for the City
  - Setback from boardwalk should be appropriate to maintain character of the iconic fabric of Ocean City
  - Must not appear to be overwhelming to boardwalk visitors or nearby residential units, with appropriate open air and light reaches to adjacent neighborhood
  - Entertainment component open to the public
  - Dining options
  - Banquet facilities
  - Adequate parking
  - Upscale retail component



# Recommendation 6

## Visual Improvements to enhance the “brand”

- Select designated street ends to be enhanced; improve the aesthetic experience and create "boardwalk entrance(s)" with welcoming landscape through signage and shrubbery, such as suggested by the “Rutgers Study”.
- Add pedestrian amenities focused on accessibility
- Support microtransit initiatives with bike parking, jitney stops, and destination wayfinding along the length of the boardwalk.



# Recommendation 7

Institute a holistic model for new development island-wide, including the ON-BD Zone.

- Use existing Planning Board/Zoning Board processes to guide development
- Current SID tax will be enhanced by new ON-BD development and will provide additional funding for more Boardwalk enhancements
- Large scale development should include:
  - Traffic Study
  - Air and Light Study
  - Neighborhood impact
  - Impact on city infrastructure



# Recommendation 8

## Economically Viable Businesses on Boardwalk

- Reassess the list of permitted On Boardwalk uses and redefine or expand the list of permitted Entertainment and Amusement uses
- Conduct a Market Study to provide guidance on what future permitted uses would be economically viable and in keeping with the culture of Ocean City.



## Recommendation 9

Increase the reliance on economic modeling and technology to enhance the Boardwalk Experience

- Explore the use of new technology to track visitor trends
- Develop data driven trends of the coastal vacationer and market to those trends
- Establish communication network with comparative communities to track forecast
- Engage outside professional marketing planning to assist in aligning visitor expectations with future offerings on the Boardwalk



# Recommendation 10

Pursue additional data to develop a strong understanding of our visitors and economic indicators in order to make sound business decisions.

- Visitor segmentation & spending
- Visitor demographics, habits, needs and wants
- Establish a baseline for measuring visitation and economic activity on the boardwalk and among boardwalk businesses to support merchants
- Measure and document tourism / visitors to provide for the future support of the boardwalk economy and opportunities to improve shoulder/ off seasons
- Conduct surveys of business merchants, property owners and boardwalk/beach users during the summer months
- Adopt a City Resolution stating this as a specific goal and defining actions to achieve it.



# About 600 Boardwalk

- Once-in-a-generation development opportunity
- Requires zoning reform to unlock potential
- As a large parcel on the Boardwalk, consider “**conditional**” mixed-use development for 600 Boardwalk and other similar locations:
- A conditional use (or special use) is a land use that is not permitted "by right" but is allowed if it meets specific conditions stipulated in the zoning ordinance.
- Recommendations are based on whether the proposed use serves the public welfare and meets with master plan consistency.
- Every case is evaluated on its individual merits



# About 600 Boardwalk

As a large parcel on the Boardwalk, consider “**conditional**” mixed-use development for 600 Boardwalk and other similar locations:

High-quality resort hotel integrated with:

- Boardwalk frontage that preserves the character of the famous walkway
- Upscale hotel rooms with amenities
- Specialty Dining open to the public
- Entertainment offering to serve modern day visitor expectations
- Event and banquet space
- Upscale retail component
- Complementary uses—could address several unmet needs. These include modern lodging options, wedding and convention venues, family event spaces, and amusement or experiential attractions.



# About 600 Boardwalk

Development at 600 Boardwalk should take into considerations of adjoining neighborhoods and not be overbearing to such a degree that it entirely changes the landscape of the area.

The goal is for the property to serve as an anchor, and restore the economic ecosystem disrupted by the closure of the Wonderland.

Just as important, such a development shall not replace the spirit of the boardwalk, but rather reinforce and sustain it in a modern context.



# The Recommendation Strategy

## Summary

The On-Boardwalk zone should not be considered a conventional zoning district, but rather as a unified destination experience. Entertainment uses must serve as the primary driver of visitation, designed to curate the modern-day visitor expectations.



# The Recommendation Strategy

## Approach

Thoughtfully designed integrated mixed-use development must become part of the community culture and enhance spirit of the boardwalk.

This approach will serve a number of unmet needs including modern day entertainment, accommodations, family event space and experiential experiences and will serve as a catalyst for upgrades of many aging businesses on the famous walkway and promote a resilient year-round economic business model for owners, residents and visitors alike.



# What is next ?

1. Boardwalk Subcommittee will provide data-driven guidance to City Council for review. (This report)
2. City Council should give consideration to sending this report to their recently hired outside independent Planner for review
3. City Council should also give consideration to sending this report to the Planning Board for an opinion along with the City's planner
4. Planning Board may provide recommendations to City Council
5. City Council should consider Planning Board recommendations and the Boardwalk Sub-Committee report in developing a long-term strategic plan for the future of the Boardwalk.



# Boardwalk Sub-Committee

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