



STRATEGIC PLAN FOR ECONOMIC DEVELOPMENT

CAROLINE ECONOMIC DEVELOPMENT CORP.

Fiscal Years 2015 – 2020



About the Strategic Plan

Mission - Caroline Economic Development Corp. (CEDC) exists to foster a diversified local economy that leads to business retention and attraction, job creation and workforce development, and a strong quality of life for the citizens of Caroline County.

Strategic Plan Committee - The CEDC Board of Directors would like to thank the following volunteers who kindly assisted Angela Visintainer, Director of Economic Development, in reviewing and refining the strategic plan:

Jeff Ghrist, Caroline County Commissioners

Nash McMahan, Tri-Gas & Oil

Milton Nagel, Caroline County Board of Education

John Phillips, Sisk Fulfillment Service & CEDC Board of Directors

Geoff Turner, Choptank Transport

Alan Stein, Tanglewood Conservatories

Dr. Barbara Viniar, Chesapeake College

The Board would also like to thank the Maryland Department of Business and Economic Development, which awarded the CEDC with a grant for 50% of the cost of developing the strategic plan.

Sage Policy Group - The CEDC contracted Sage Policy Group to provide an extensive economic analysis of Caroline County and to make recommendations for the strategic plan. Led by economist and CEO Anirban Basu, Sage conducted focus groups with business leaders and stakeholders. Sage then provided a comprehensive report to the CEDC, which has served as the foundation for this plan. Anyone interested in viewing the full report from Sage may contact the CEDC office.



**Anirban Basu, CEO
Sage Policy Group**

The CEDC is funded by the Caroline County Commissioners and Towns of Denton, Federalsburg, and Ridgely. We are grateful for their support and commitment to a bright future for the citizens they serve.



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About the Strategic Plan

Strategic Plan Project Scope

The strategic plan for economic development will direct the efforts of Caroline Economic Development Corporation (CEDC) for fiscal years 2015 – 2020.

The success of the plan will be determined based upon the following criteria at the end of the five-year plan period:

- 1. Employment opportunities for the citizens of Caroline County have increased**
- 2. The commercial tax base of Caroline County has increased**

With these goals in mind, the strategic plan is primarily focused on helping medium-to-large businesses grow and succeed in Caroline County. The plan also focuses on entrepreneurship and helping startup companies with significant growth potential.

In a small county like Caroline, limited resources must be focused in such a way that maximizes “bang for the buck.” Concentrating resources on larger businesses will have the most direct impact on employment and the tax base. As large businesses grow, their success will trickle down to the many small, “mom and pop” businesses that are so important to Caroline County’s economy and character.

Maintaining Caroline County’s Rural Landscape and Lifestyle

It is important to note that this plan has been developed with Caroline County’s rural character in mind. Development will be focused primarily in the county’s existing business and industrial parks, as well as in its downtown areas. This existing infrastructure can easily accommodate business expansions and the addition of new businesses without sprawl into our treasured rural landscape.

If you would like additional information about the CEDC’s strategic plan, please visit our website or contact our office.



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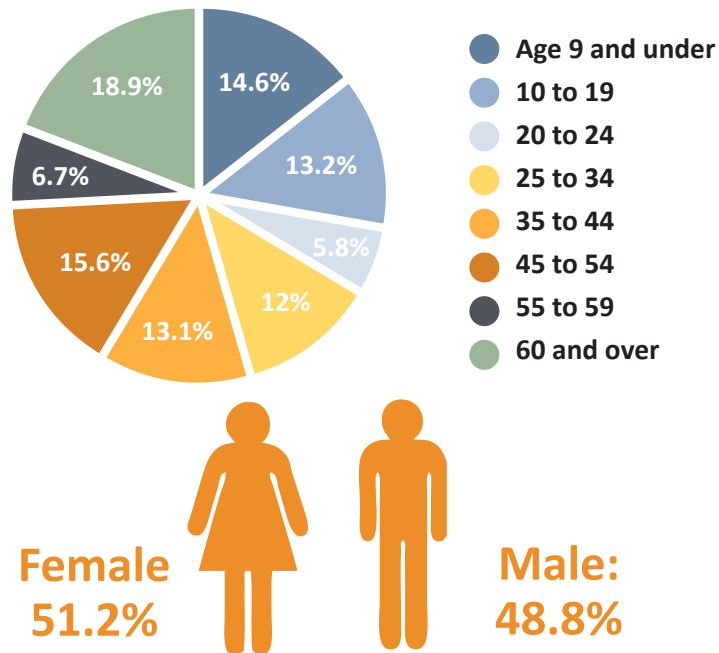
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Statistical Profile of Caroline County

The following pages provide a variety of demographic and economic data for Caroline County. All data was compiled by Sage Policy Group on behalf of the CEDC. Additional data is available by contacting the CEDC.

Population - Caroline County's population expanded more rapidly than the nation's and the State of Maryland's between 2000 and 2012, which is an indication of a healthy community. Significant population growth in the towns during this period is largely attributable to annexations. Caroline County's population has aged, with 82% of population growth occurring among residents aged 45 years and older.

Exhibit 1: Caroline County Population by Gender and by Age Classification, 2012



Source: U.S. Census Bureau: 2008-2012 ACS 5-year estimates

Exhibit 2: Population Change, 2000-2010

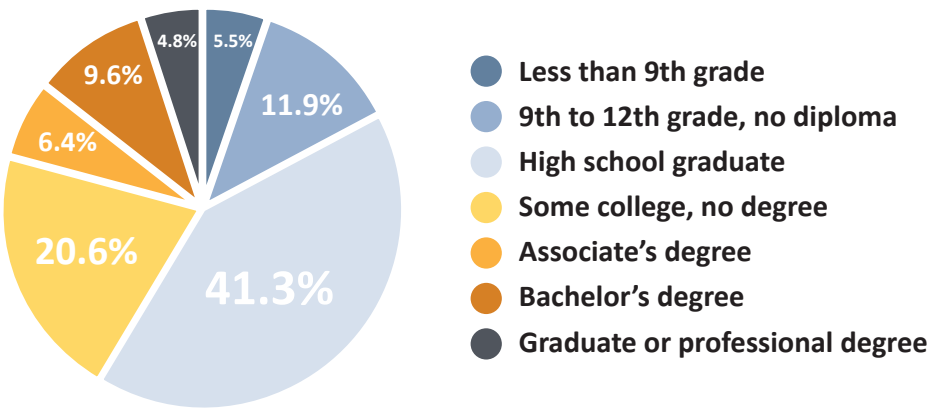
	2000 Pop.	2012 Pop.	Absolute Chg.	Percent Chg.
U.S.	281,421,906	309,137,711	27,715,805	9.85%
Maryland	5,296,486	5,785,496	489,010	9.23%
Caroline County	29,772	32,947	3,175	10.66%
Denton	2,960	4,359	1,399	47.26%
Federalsburg	2,620	2,733	113	4.31%
Greensboro	1,632	2,341	709	43.44%
Ridgely	1,352	1,710	358	26.48%

Source: U.S. Census Bureau: 2000 Census, 2008-2012 ACS 5-year estimates

Education - Caroline County became more educated between 2000 and 2012. The population with a bachelor's degree increased by 47%, and the number of people with a graduate or professional degree increased by 12%.

Despite these improvements, the community still falls short of national and state averages. For instance, 14.3% of Caroline County citizens aged 25 and older possess a bachelor's degree or higher, while the corresponding proportions nationally and in Maryland are 28.5% and 36.3% respectively.

Exhibit 3: Distribution of Highest Educational Attainment of Caroline County Residents 25 and over, 2012



Source: U.S. Census Bureau: 2008-2012 ACS 5-year estimates

Statistical Profile of Caroline County

Income and Employment - Caroline County's median household income increased significantly between 2000 and 2012, outpacing income growth at both the national level and state level during the same period. Poverty rates in Caroline County declined slightly during this period, while the poverty rate increased statewide. Unemployment rates and labor participation rates have been relatively on par with the rest of the state.

Exhibit 4: Median Household Income, 2000 v. 2012

	2000	2012	Percent Change
U.S.	\$41,994	\$53,046	26.3%
Maryland	\$52,868	\$72,999	38.1%
Caroline County	\$38,832	\$60,735	56.4%
<i>Denton</i>	<i>\$42,583</i>	<i>\$66,071</i>	<i>55.2%</i>
<i>Federsburg</i>	<i>\$32,059</i>	<i>\$36,932</i>	<i>15.2%</i>
<i>Greensboro</i>	<i>\$36,083</i>	<i>\$63,125</i>	<i>74.9%</i>
<i>Ridgely</i>	<i>\$35,750</i>	<i>\$54,821</i>	<i>53.3%</i>

Source: U.S. Census Bureau, 2012 American Community Survey 5 year estimates

Exhibit 5: Poverty Rates (Families), 2000 v. 2012

	2000	2012
U.S.	9.20%	10.90%
Maryland	6.10%	6.50%
Caroline County	9.00%	8.70%
<i>Denton</i>	<i>6.60%</i>	<i>12.10%</i>
<i>Federsburg</i>	<i>21.00%</i>	<i>23.40%</i>
<i>Greensboro</i>	<i>15.60%</i>	<i>14.20%</i>
<i>Ridgely</i>	<i>7.80%</i>	<i>3.40%</i>

Source: U.S. Census Bureau: 2000 Census. 2008-2012 ACS 5-year estimates

Exhibit 6: Employment Status of Workers who Live in Caroline County, 2012

	Maryland	Caroline County	Denton	Federsburg	Greensboro	Ridgely
Population 16 years and over	4,598,714	25,696	3,124	2,005	1,704	1,248
In labor force	69.6%	67.1%	61.7%	58.3%	68.3%	69.5%
Civilian labor force	69.0%	67.1%	61.7%	58.3%	68.3%	69.5%
<i>Employed</i>	<i>63.6%</i>	61.1%	<i>56.8%</i>	<i>53.6%</i>	<i>58.8%</i>	<i>60.4%</i>
<i>Unemployed</i>	<i>5.4%</i>	6.0%	<i>5.0%</i>	<i>4.6%</i>	<i>9.5%</i>	<i>9.1%</i>
<i>Armed forces</i>	<i>0.6%</i>	0.0%	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
Not in labor force	30.4%	32.9%	38.3%	41.7%	31.7%	30.5%

Source: U.S. Census Bureau: 2008-2012 ACS 5-year estimates

Statistical Profile of Caroline County

Income and Employment (cont.) - Caroline County is a net exporter of workers since more people leave the county to work each day than come in. Caroline County has the highest commuter rate on the Eastern Shore with 54.1% of workers employed outside the county.

Exhibit 7: Caroline County Inflow/Outflow Job Counts, 2011

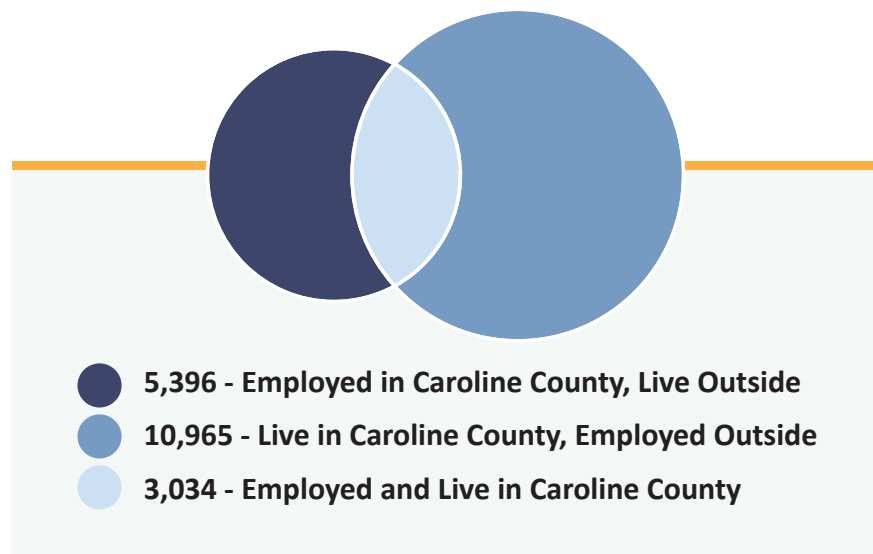


Exhibit 8: Mid-Shore Commuter Rates (Percentage of Workers Employed Outside Their County of Residence), 2013

County	Commuter Rate
Kent County	24.6%
Talbot County	26.1%
Dorchester County	32.8%
Queen Anne's County	49.1%
Caroline County	54.1%

Exhibit 9: Percentage of Employed Caroline County Residents Aged 16 Years and Over by Industry, 2012

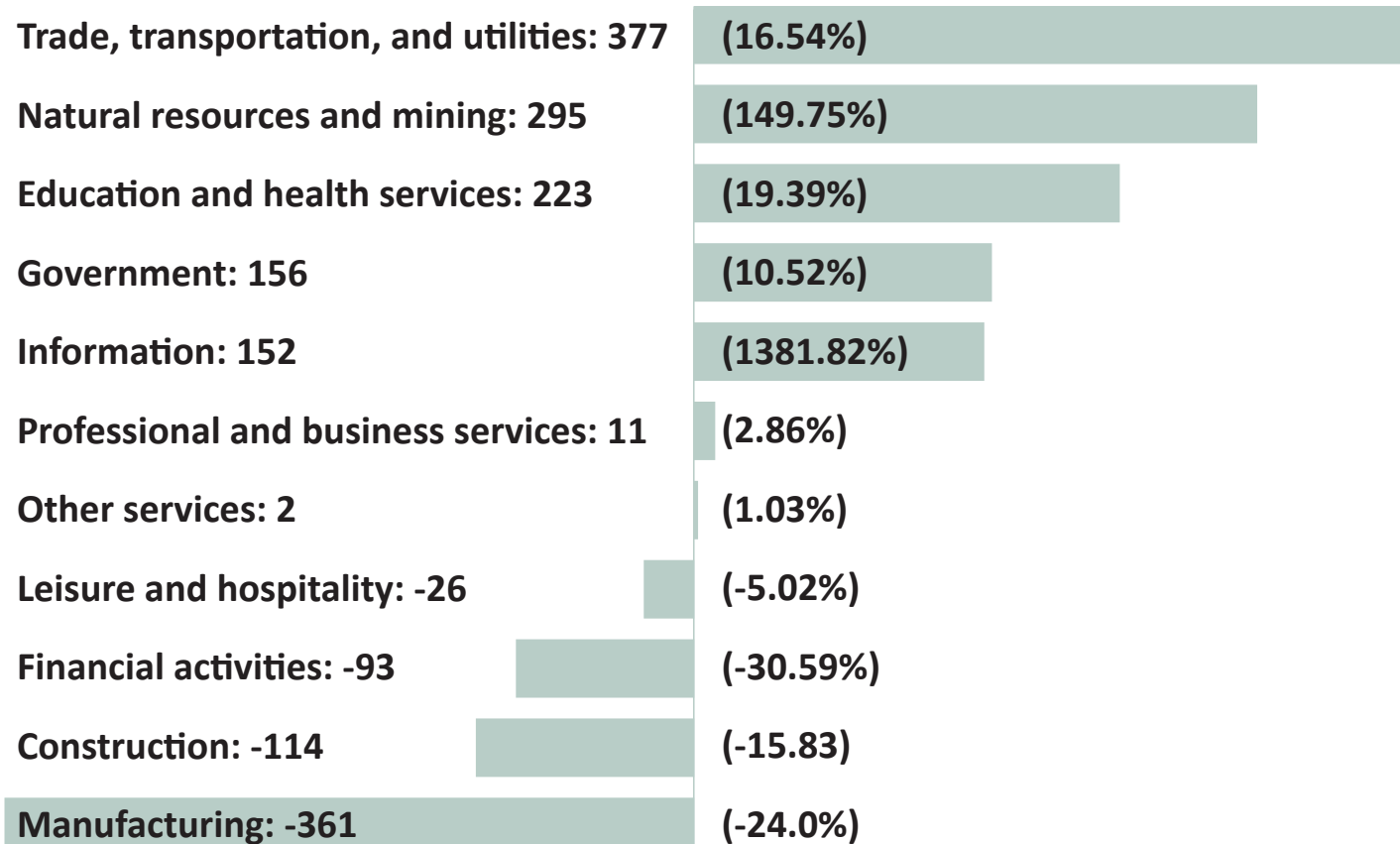
	Maryland	Caroline County
Educational Services and Health Care	23.0%	21.6%
Retail Trade	9.7%	11.1%
Construction	7.1%	10.9%
Manufacturing	5.2%	9.4%
Professional Services	14.9%	9.4%
Public Administration	11.2%	7.5%
Leisure & Hospitality	7.8%	7.0%
Transportation, Warehousing, and Utilities	4.4%	6.9%
Other Services, except public administration	5.4%	5.4%
Wholesale Trade	2.1%	3.5%
Financial Activities	6.4%	3.2%
Agriculture	0.5%	3.0%
Information	2.4%	1.1%

Source: U.S. Census Bureau: 2000 Census. 2008-2012 ACS 5-year estimates

There is some cause for alarm that many Caroline County residents are employed in industries that have been declining within the county, as shown in Exhibits 9 and 10. Combined, over 30% of Caroline County workers are employed in Leisure & Hospitality, Financial Activities, Construction, or Manufacturing. Each of these industries have seen employment declines of 5% or more over the past eight years, with employment losses in Construction and Manufacturing being the most significant.

Statistical Profile of Caroline County

Exhibit 10: Caroline County Employment Changes by Industry Sector, 2005-2013



Source: Maryland Department of Labor, Licensing and Regulation: Employment and Payrolls – Industry Series (Percentage growth is in parenthesis)

Statistical Profile of Caroline County

Businesses - Between 2005 and 2013, the number of business establishments in Maryland expanded by 5.4%, but declined by 3.8% in Caroline County. During this period, the county lost 27 business establishments on net, but the combination of construction, manufacturing, and distribution shed 46 establishments.

During this same period, total employment in Caroline County increased by 622 jobs, or 7.1%. When combined with information regarding establishment counts, it is clear that the average Caroline County business has actually expanded over the past eight years.

Exhibit 11: Number of Business Establishments in Caroline County and Maryland, 2005 & 2013

	Total Number of Establishments			
	2005	2013	% Chg.	Absolute Chg.
Maryland	161,143	169,829	5.39%	8,686
Caroline County	717	690	-3.77%	-27

Source: Maryland Department of Labor, Licensing and Regulation: Employment and Payrolls – Industry Series.

Exhibit 12: Total Employment, All Industries, 2005 & 2013

	Total Employment (Average Annual)		
	2005	2013	% Chg.
Maryland	2,497,416	2,532,403	1.40%
Caroline County	8,744	9,366	7.11%

Source: Maryland Department of Labor, Licensing and Regulation: Employment and Payrolls – Industry Series.

**Exhibit 13: Major Employers in Caroline County, August 2014
(Includes only the number of employees within Caroline County; Excludes government and educational institutions.)**

Employer	# of Employees
Dart Container Corporation	517
WALMART Denton	280
H&M Bay	236
Choptank Transport	195
Choptank Electric Cooperative	161
Tri-Gas & Oil	152
Choptank Community Health System	140
Envoy Healthcare of Denton	105
Caroline Center, Inc.	104
Caroline Nursing & Rehab Center	100
Maryland Plastics, Inc.	97
Food Lion	95
McDonald's	90
Burris Logistics	85
Hanover Foods	85
Sisk Fulfillment Service	78
Medifast	75
UniSite Design	75
M&M Refrigeration	64
Towers Concrete Products	63
Provident State Bank	53
Wesleyan Center at Denton	52
Kraft Foods	51

Source: Maryland Department of Business & Economic Development; Verified by CEDC staff.

Statistical Profile of Caroline County

Tax Base & Tax Rates - Over time, Caroline County's property tax base has declined despite growth in the commercial segment. Growth of the commercial tax base since 2010 has not been enough to offset declines in total residential and agricultural valuations as indicated by Exhibit 14.

Exhibit 14: Caroline County Real Property Tax Base, FY2010 - FY2013

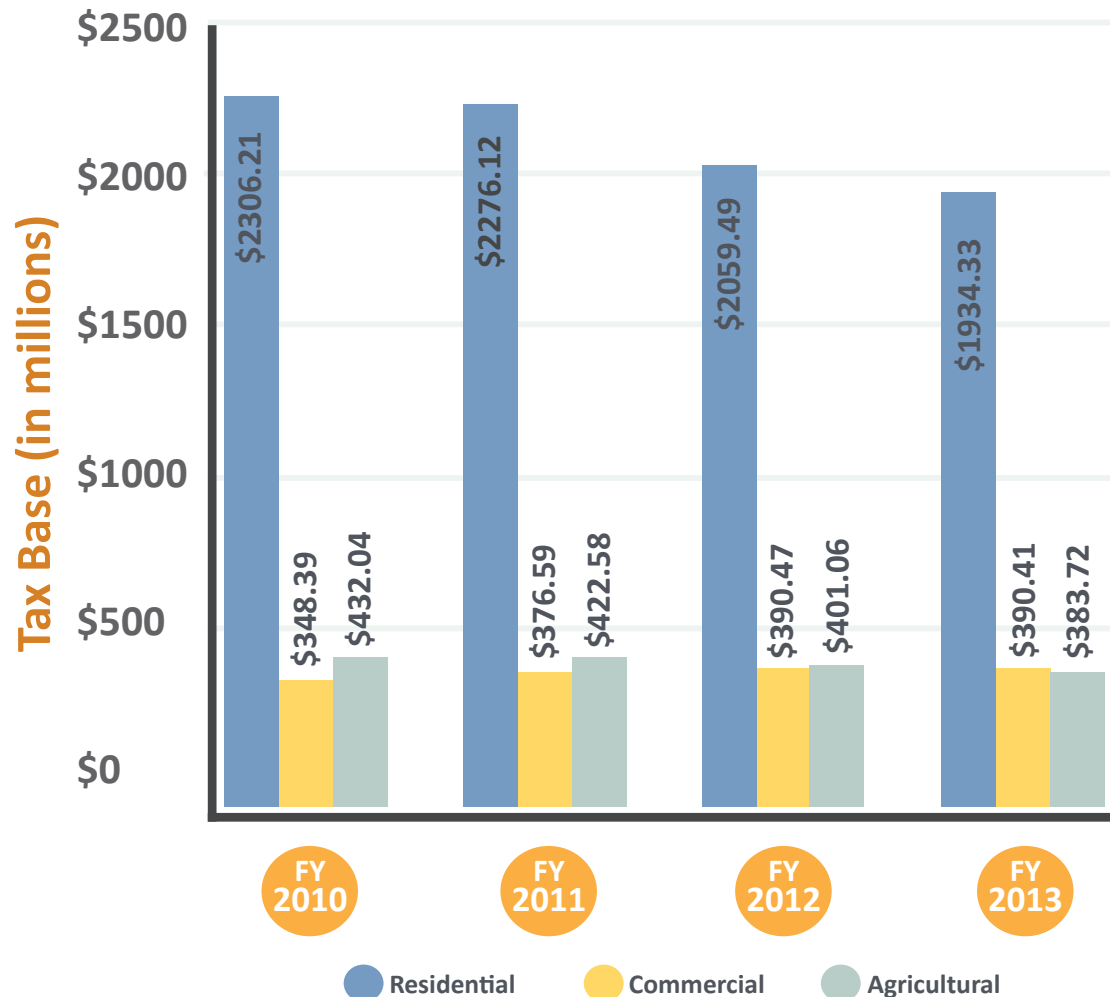


Exhibit 15: Eastern Shore of Maryland Jurisdictions Ranked by Real Property Tax Rates (Per \$100 of assessment), FY2015

Rank	Jurisdiction	Rate
1	Talbot	0.5270
2	Worcester	0.7700
3	Queen Anne's	0.8471
4	Somerset	0.9150
5	Wicomico	0.9516
6	Caroline	0.9600
7	Dorchester	0.9760
8	Cecil	0.9907
9	Kent	1.0220

Source: Maryland State Department of Assessments and Taxation

Caroline County's real property tax rate is the ninth lowest in Maryland and the fourth highest on the Eastern Shore.



Statistical Profile of Caroline County

Exhibit 16: Caroline County and Municipal Real Property Tax Rates Combined, FY2014

	County Rate	Municipal Rate	Total Rate
Caroline County	0.94	--	--
Denton	0.88	0.680	1.560
Feddersburg	0.87	0.700	1.570
Greensboro	0.88	0.630	1.510
Ridgely	0.88	0.586	1.466

Source: Maryland Department of Assessments and Taxation; *Only municipal residents pay total rate

Caroline County is one of the few counties in Maryland that does not have a personal property tax for businesses. The various municipalities within the county impose personal property taxes, but none are imposed by the county.



Caroline County has the sixth lowest income tax rate in Maryland and the fourth lowest on the Eastern Shore.



Exhibit 17: Eastern Shore of Maryland Jurisdictions Ranked by Personal Property Tax Rates (Per \$100 of assessment), FY2014

Rank	Jurisdiction	Rate
1	Caroline	0.0000*
1	Kent	0.0000
1	Queen Anne's	0.0000
1	Talbot	0.0000
5	Worcester	1.9250
6	Wicomico	2.1715
7	Somerset	2.2875
8	Dorchester	2.4400
9	Cecil	2.4768

Source: Maryland State Department of Assessments and Taxation

*Caroline County has a personal property tax rate of 2.4000 with a 100% credit applied to all tax bills, for a net rate of 0.0000.

Exhibit 18: Eastern Shore of Maryland Jurisdictions Ranked by Income Tax Rates, FY2014

Rank	Jurisdiction	Rate
1	Worcester	1.25%
2	Talbot	2.40%
3	Dorchester	2.62%
4	Caroline	2.73%
5	Cecil	2.80%
6	Kent	2.85%
7	Somerset	3.15%
8	Wicomico	3.20%
9	Queen Anne's	3.20%

Source: Maryland State Department of Assessments and Taxation

Focus Group Feedback

Sage Policy Group conducted a series of focus groups with business leaders from the manufacturing and non-manufacturing sectors, commercial real estate professionals, bankers, and other stakeholders. Each session lasted approximately two hours. The following are some of the key comments that were shared:

1 Business and local governments work well together.

Business leaders generally praised local governments for finding solutions to common, everyday business issues. Some participants described a “wave of talent” moving into local governance. Business leaders were generally optimistic about Caroline County’s prospects.

Business leaders were far more critical of State government, describing a “blatant disregard” for rural counties in Maryland. A lack of support for manufacturing activities on the Eastern Shore and throughout the state was noted. Finally, concern was expressed about the promulgation of expanding regulations, particularly in the agriculture and poultry industries.

2 There is disagreement about the quality of the local labor force.

Several people noted that employees are generally dependable, trainable, and highly regarded. Labor costs were generally seen as favorable, and some felt that the quality of life and proximity to the Bay and beaches helped with recruiting and retention.

Others find it extremely difficult to recruit and retain new employees, especially younger, more educated workers. Also, local training resources for manufacturing positions were noted as particularly problematic. Several people thought that there isn’t enough done to make students aware of career opportunities that are available locally.

3 There is a consensus about core industries that should be a focus for business attraction.

- **Distribution/Logistics:** Caroline County’s proximity to several large U.S. metropolitan areas coupled with a less expensive workforce and good roads make distribution a natural fit.
- **Manufacturing:** Despite concerns about insufficient workforce training, focus group attendees felt that the affordable labor and manufacturing heritage of Caroline County made it a good target industry.
- **Agriculture:** Acres of rich agricultural land, a population of farmers, and access to large East Coast markets make agriculture a natural fit. There is an opportunity to focus on innovation and entrepreneurship in this sector.
- **Recreation:** Many participants felt that outdoor recreation and leisure activity could be expanded. Kayaking, biking, hiking trails, paintball, and a recreational facility were all highlighted.

4 Tax policy is a sore spot among Caroline business leaders.

Tax policy was described as “absolutely damaging” to Caroline County businesses. Most participants noted that it is state policies more than local ones that are a problem (i.e. state corporate income tax rate). County and municipal real property tax rates were considered too high by most participants, with some even suggesting that there are too many municipal governments. Participants recognized that the county is dominated by farmland, which means the county generates less revenue on a per acre basis. It was noted that increasing the tax base through economic development is critical.

SWOT Analysis

S

TRENGTHS

- Public school system
- Quality of life (little traffic congestion, low crime)
- Physical beauty (open space, water)
- Outdoor recreational opportunities
- Housing affordability
- “Can-do” workforce
- Presence of goods producing industries – agriculture, manufacturing, construction
- Location (proximity to major cities, other recreational amenities)
- Competitive land prices
- Availability of industrial parks
- Acres of contiguous agricultural land
- Helpful and talented local governments
- County and town small business revolving loan funds
- Broadband service to industrial parks and many other areas of the county
- Strong partnerships between Economic Development, Chamber of Commerce, and other organizations
- No county personal property tax

W

WEAKNESSES

- Limited employment opportunities for young, highly educated professionals
- Limited night life
- Small population to drive economies of scale
- Lack of public transportation options
- Lack of a major highway
- County finances – flat tax base coupled with relatively high County + Municipal tax rates
- Limited availability of apartments / lack of housing diversity
- Lack of local technical training resources
- Lack of smaller commercial and industrial space ($\leq 10,000$ ft²)
- Lack of local incentives to encourage investment
- Limited resources and incentives for startup companies
- Lack of a strong Caroline County brand

O

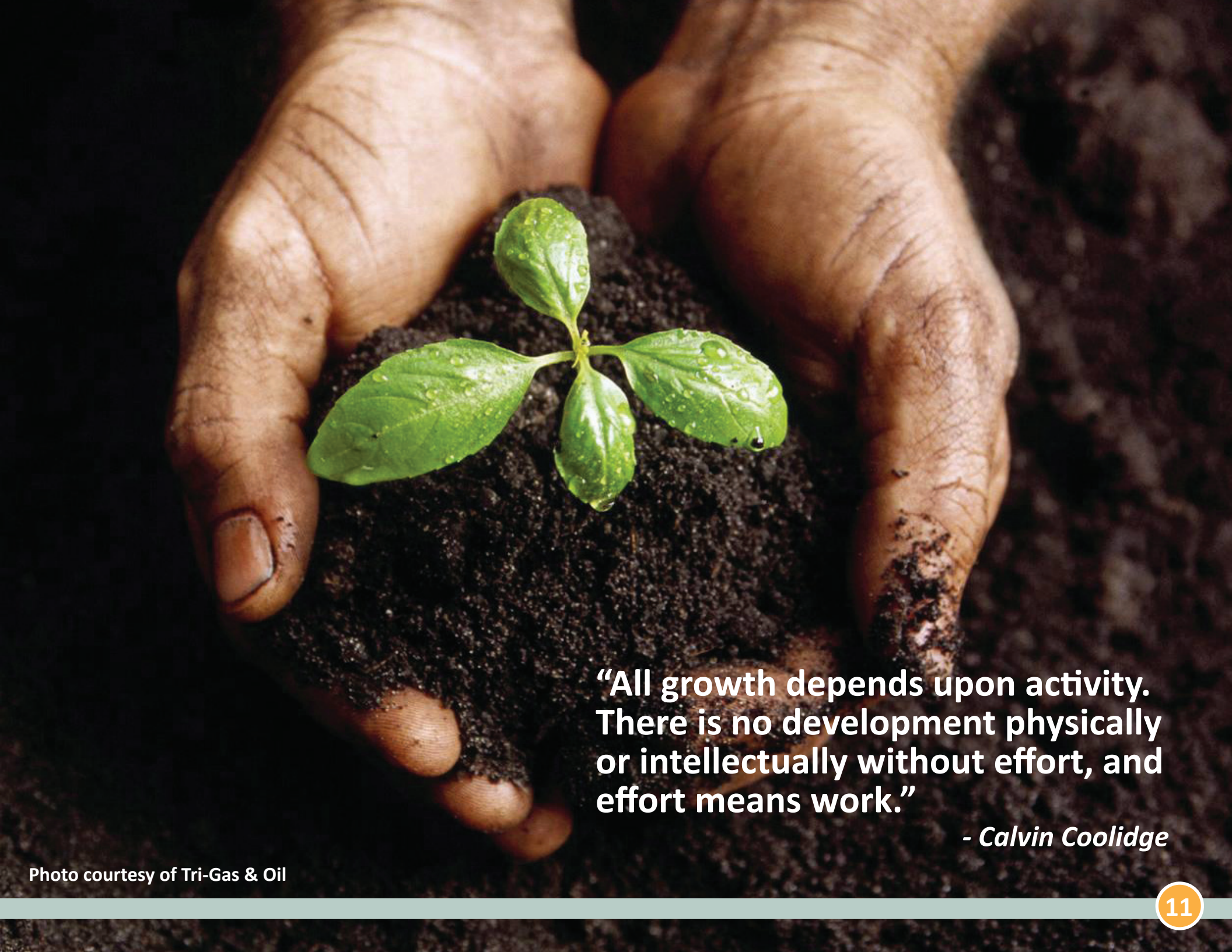
OPPORTUNITIES

- Niche agricultural segments (value-added, local and/or organic production, horticulture, etc.)
- Focus on manufacturing and logistics/distribution for business attraction
- Improving and expanding technical training resources
- Workforce development initiatives in customer service & sales (to support logistics/distribution industry)
- Expansion of recreational opportunities
- Development of downtowns
- Regional partnerships for economic development projects

T

THREATS

- State regulatory environment that disproportionately affects rural areas
- Highway User Fund cuts and other losses of financial support from Annapolis
- Lack of political interest from Annapolis in rural communities
- Loss of regional poultry industry
- Loss of business to Delaware and other neighboring states
- Aging population
- Loss of wealthy families due to Maryland tax structure
- Absentee landlords in downtown areas



**“All growth depends upon activity.
There is no development physically
or intellectually without effort, and
effort means work.”**

- Calvin Coolidge

Photo courtesy of Tri-Gas & Oil

Summary of Strategic Areas & Priorities

This plan addresses economic development issues and opportunities in four key strategic areas:

<p>STRATEGIC AREA 1: <i>Infrastructure, Policy & Business Retention</i></p> <p>This section addresses key structural aspects of the county’s economy, including:</p> <ul style="list-style-type: none">• Transportation infrastructure• Broadband infrastructure• Local regulatory policy• Local tax policy• Incentives and resources for business expansion	<p>STRATEGIC AREA 2: <i>Workforce Development</i></p> <p>Perhaps the most important and most challenging section of the plan, Workforce Development addresses the training and educational resources needed to support existing businesses and industries targeted for attraction. Hiring and retaining the right people is consistently noted as the greatest challenge for most Caroline County businesses.</p>
<p>STRATEGIC AREA 3: <i>Entrepreneurship</i></p> <p>This section addresses the business climate for startup companies within the county. Although primarily focused on startups with significant growth and employment potential, this section also addresses the needs of micro enterprises (those with less than nine employees).</p>	<p>STRATEGIC AREA 4: <i>Marketing & Business Attraction</i></p> <p>This section addresses Caroline County’s brand as it is perceived by its own residents and businesses, as well as those outside the county. It also identifies industries targeted for business attraction efforts.</p>
<p>Ranking Priorities</p> <p>Each objective in the plan is assigned a priority level. When allocating limited resources to execute a strategic plan, it is important to consider the feasibility of each objective and its potential impact on the community. The priority levels assigned to objectives in this plan are classified as follows:</p>	<div><p>Priority Level</p><p>1</p><p>Addresses critical, urgent problems or opportunities.</p></div> <div><p>Priority Level</p><p>2</p><p>Addresses significant existing or anticipated needs or opportunities.</p></div> <div><p>Priority Level</p><p>3</p><p>Addresses existing or anticipated needs or opportunities.</p></div> <div><p>Priority Level</p><p>4</p><p>Will enhance the strategy if time and budget allow.</p></div>

Strategic Area 1: Infrastructure, Policy, and Business Retention

Infrastructure, regulatory and tax policy, and an emphasis on business retention are the backbone of a strong local economy. This section of the plan addresses the key structural elements of Caroline County's economy.

Summary of Objectives	Priority Level
Establish an Enterprise Zone that encompasses the Federalsburg and Frank M. Adams Industrial Parks.	1
Determine if the Denton Industrial Park can qualify for an Enterprise Zone designation by exception; if so, apply for the designation.	3
Establish a county property tax incentive for major expansion projects that take place outside of designated Enterprise Zone(s).	1
Investigate potential incentives for downtown development and make recommendations to the municipalities of Caroline County.	2
Review covenants for all industrial/business parks in Caroline County and propose updates that will make them more appealing to businesses.	1
Establish a public rail siding in the Federalsburg area.	3
Launch an Economic Gardening program to help growing companies.	4

OBJECTIVE: Establish an Enterprise Zone that encompasses the Federalsburg and Frank M. Adams Industrial Parks. **Priority Level 1**

Enterprise Zones are state-designated areas that offer significant property tax reductions for improvements made to real property. Caroline is one of the few counties in Maryland that does not currently have an Enterprise Zone, which is a significant disadvantage when competing for expansion and relocation projects. The designation will also benefit businesses already located within the zone if they pursue future expansion projects.

Enterprise Zones provide tax credits over a ten year period. The credits are applied to the increased assessed value of a property resulting from improvements only, so they do not reduce current town or county property tax revenues. Tax credits are applied as follows:

- 80% credit in Years 1 – 5
- 70% credit in Year 6
- 60% credit in Year 7
- 50% credit in Year 8
- 40% credit in Year 9
- 30% credit in Year 10

The State of Maryland reimburses 50% of the uncollected property tax revenue to the local jurisdiction.

To learn more about Enterprise Zones and their benefits, please visit choosemaryland.org.

Strategic Area 1: *Infrastructure, Policy, and Business Retention*



OBJECTIVE: Determine if the Denton Industrial Park can qualify for an Enterprise Zone designation by exception; if so, apply for the designation.
Priority Level 3

The Denton area does not directly meet the eligibility criteria for Enterprise Zone designation, which are related to poverty rates, unemployment rates, and/or population decline, among others. Areas that are close to meeting the criteria may request a special review process from the state. The CEDC will work with the Town of Denton to apply for the designation if eligibility is approved.



OBJECTIVE: Establish a county property tax incentive for major expansion projects that take place outside of the designated Enterprise Zone(s).
Priority Level 1

There are several large, growing companies in Caroline County that are located outside the limits of any possible future Enterprise Zones. An incentive for major expansion projects will help ensure that these companies choose to continue to grow and expand in Caroline. This incentive will also help spur development of the Mid-Shore Technology Park in Ridgely, which is unlikely to ever meet the eligibility criteria for an Enterprise Zone.

The incentive will be available to qualifying companies located outside the Enterprise Zone(s) only (i.e. companies won't be able to "double dip"). The CEDC will work with county staff to establish the eligibility criteria for the incentive, the structure of the incentive, and how it will be implemented.



OBJECTIVE: Investigate potential incentives for downtown development and make recommendations to the municipalities of Caroline County.
Priority Level 2

The CEDC will explore a variety of incentives and tools to encourage downtown development. These tools may include property tax reductions, Arts & Entertainment District designation, Main Street designation, subsidized marketing resources for businesses, and small business loan programs, among others. The CEDC will also investigate how other communities have implemented tax penalties on properties that remain vacant over sustained periods of time.



OBJECTIVE: Review covenants for all industrial/business parks in Caroline County and propose updates that will make them more appealing to businesses.
Priority Level 1

Commercial bankers and real estate brokers have indicated that the covenants governing Caroline's industrial parks are outdated and overly restrictive. This has made it difficult for them to market properties in the parks, so many have remained vacant for long periods of time. The CEDC will review the covenants for all five Caroline County parks and will make recommended changes to the appropriate municipalities.

Strategic Area 1: *Infrastructure, Policy, and Business Retention*



OBJECTIVE: Establish a public rail siding in the Federalburg area.
Priority Level 3

The lack of a public rail siding has forced some Caroline County businesses to transfer their products to neighboring counties for onward rail transport. The lack of public rail infrastructure has also prevented businesses from pursuing new markets that require reliable rail delivery.

There is a site within the Caroline Industrial Park in Federalburg that was intended to be a public rail siding, but it was never fully developed. The CEDC will work with the Town of Federalburg to identify a new site or implement upgrades at the existing site. The selected site will be equipped with the proper equipment and infrastructure. Maintenance and marketing plans will also be developed to ensure its sustainability.



OBJECTIVE: Launch an economic gardening program to help growing companies.
Priority Level 4

Economic gardening is based on the idea that it is easier and more effective to help existing businesses grow than it is to attract new businesses. Put another way, it is easier to care for a garden and produce fruit than it is to be successful in big game hunting.

Economic gardening provides an infusion of short-term resources to growing companies. These resources may include market research, marketing assistance, supply chain analysis, or other types of consulting services. Economic gardening typically targets companies with 10 – 99 employees and \$1-\$50 million in annual revenue.

The CEDC will identify funding, resources, and collaborative partners to implement an economic gardening program for Caroline businesses.



Photo courtesy of Tri-Gas & Oil
www.trigas-oil.com

Strategic Area 2: Workforce Development

Hiring the right people for the right roles is the greatest challenge for most companies. Economic development organizations can make this task easier by ensuring that the local workforce has the skills that businesses need.

Summary of Objectives	Priority Level
Work with neighboring counties' school systems and Chesapeake College to create an inventory of technical training resources available in the area; form partnerships to share resources and provide students with greater access to tech training.	1
Work with Chesapeake College and Caroline County Board of Education to develop a Customer Service & Sales curriculum and career path.	1
Establish a full-time business liaison position within Caroline County Public Schools.	3
Develop a comprehensive, county-wide leadership development initiative.	4



OBJECTIVE: Work with neighboring counties' school systems and Chesapeake College to create an inventory of technical training resources available in the area; form partnerships to share resources and provide students with greater access to tech training.
Priority Level 1

Local manufacturers have identified a critical skill gap and labor shortage among skilled technical workers. These well-paying jobs provide a strong career path for students who prefer hands-on work and are not interested in pursuing a conventional four-year college education.

By pooling and sharing resources regionally, technical training and education can be greatly expanded for high school students and adults. A regional approach will also make it easier to fund new equipment and other training resources without duplicated effort and expense. The ultimate goal is to work toward establishing a regional tech training center, but it will likely take longer than the five years covered by this plan to achieve that goal.

Chesapeake College
Photo by Tom Miller



Chesapeake College

Photo by Tom Miller

Strategic Area 2: Workforce Development



OBJECTIVE: Work with Chesapeake College and Caroline County Board of Education to develop a Customer Service & Sales curriculum and career path.
Priority Level 1

Caroline County is home to many companies in logistics, fulfillment, manufacturing, and other sectors that employ a large number of customer service and sales professionals. Caroline-based companies have expressed a strong need for a pipeline of talent in these fast-growing job categories.

The CEDC will work with Caroline County Public Schools and Chesapeake College to develop a curriculum and career path that prepares students for employment in customer service and sales. The CEDC will also work with local companies to create internship opportunities as part of the curriculum.



OBJECTIVE: Establish a full-time Business Liaison position within Caroline County Public Schools.
Priority Level 3

The rapid pace of innovation and changes in technology can make it difficult for schools to keep up with the latest needs of businesses. A Business Liaison within the Caroline County Public School system will work directly with local businesses, Economic Development, and the Chamber of Commerce. Responsibilities of the Business Liaison will include:

- Advising curriculum staff and high schools on business and employment trends, skills gaps, etc.
- Developing internship and apprenticeship programs
- Applying for grants and other funding sources for new equipment and technology
- Helping teachers and guidance counselors understand local career paths for students
- Creating opportunities for the business community to engage directly with students, teachers, and staff

Note: CCPS has recently designated a Teacher Specialist to take on many of the responsibilities listed above in addition to his regular duties. The goal is to ultimately transition these duties to a dedicated, full-time Business Liaison position.



OBJECTIVE: Develop a comprehensive, county-wide leadership development initiative.
Priority Level 4

Communities and companies that invest in leadership are more likely to retain top talent. The CEDC will partner with the Chamber of Commerce to encourage leadership development in a variety of ways, including:

- Facilitating networking groups that discuss leadership topics
- Actively supporting student groups like Future Business Leaders of America
- Recruiting business leaders to mentor students with strong potential
- Promoting programs like Shore Leadership and Leadership Maryland to local companies
- Hosting Leadercast Delmarva each year (visit LeadercastDelmarva.com to learn more)

A white semi-truck is driving on a multi-lane highway that curves through a green landscape. The sky is blue with some light clouds. The truck is in the left lane, moving towards the viewer. The highway has white dashed lines and a solid white line on the left. There is a grassy shoulder on the right.

TARGET INDUSTRY SPOTLIGHT

Logistics & Fulfillment

It's no surprise that Caroline County's fastest growing employment sector is Logistics & Fulfillment. Located within four hours of several major metropolitan markets, Caroline County is served by highways that are free of congestion and delays. The local workforce is well suited to the customer service and technological demands of this dynamic industry.

Strategic Area 3: *Entrepreneurship*

Communities that invest in and support entrepreneurship tend to have stronger economies than those that don't. Startup companies face many challenges, but those that succeed create jobs, attract new talent to the area, and support local small businesses.

Summary of Objectives	Priority Level
Create a flexible, customizable incentive package for promising startup companies with significant growth potential.	3
Build a strong partnership with the Delmarva Food Hub and lead agricultural attraction efforts for the region.	2
Launch a Small Business Concierge service to directly assist micro enterprises.	2



OBJECTIVE: Create a flexible, customizable incentive package for promising startup companies with significant growth potential.
Priority Level 3

Relatively small investments of resources can have a big impact on startup companies, which result in big returns for the community. The CEDC will work to create incentives and resources for startups that can be customized to meet their specific needs. Incentive packages may include:

- Small business loans
- Small cash grants
- Free marketing assistance
- Free market research or other consulting services
- Assistance with recruiting and training



OBJECTIVE: Build a strong partnership with the Delmarva Food Hub and lead agricultural attraction efforts for the region.
Priority Level 2

Easton Economic Development Corporation will be launching the Delmarva Food Hub to provide regional farmers with access to nearby high-end metropolitan markets. The Food Hub will also provide training, technical assistance, marketing, and other services. This represents a great opportunity for ag-based businesses in Caroline County to expand and diversify.

Additionally, the CEDC has been awarded a grant from the Rural Maryland Council to launch a marketing campaign to recruit new farmers to the Eastern Shore. The campaign will focus on value-added ag businesses that typically employ more people than traditional agriculture.

This is not only a great opportunity to attract new businesses to Caroline County and the broader region; it will help build strong regional partnerships with other counties and economic development agencies.

Strategic Area 3: *Entrepreneurship*

TARGET INDUSTRY SPOTLIGHT *Agriculture & Ag Technologies*

With its rich farming heritage, Caroline County is a natural choice for innovative ag-based businesses and technologies. Extensive resources are available to help new-generation farmers succeed. Affordable land and easy availability of water also make the county well suited for large greenhouse projects and other specialized operations.



Seaberry Farm, Federalsburg



OBJECTIVE: Launch a Small Business Concierge service to directly assist micro enterprises.

Priority Level 2

Caroline County is home to hundreds of micro enterprises (≤ 9 employees) that sometimes need assistance with permitting, licensing, regulatory compliance, marketing, financing, site selection, etc. The CEDC has recently expanded a part-time staff position to include working directly with small businesses. This position will be a “concierge service” to connect small businesses to the many outstanding resources that are available to help them succeed.

In addition, the CEDC will be launching a special section on our website specifically for small businesses. It will include information about incentives and resources, how to launch a new business, case studies, etc.

Strategic Area 4: *Marketing & Business Attraction*

Strong and consistent branding helps a community convey its advantages to attract top talent and companies. It also helps build pride and loyalty among existing residents. Finally, a clear sense of community identity helps focus business attraction efforts on industries and companies that are the best possible fit.

Summary of Objectives

Priority Level

Launch a county-wide branding initiative that conveys the spirit of Caroline County and why it's a great place to live and work.

2

Create comprehensive marketing plans and budgets to attract companies in three target industries: manufacturing, logistics & fulfillment, and agriculture & ag technologies.

3

Develop a comprehensive marketing plan and incentive strategy for the Mid-Shore Technology Park in Ridgely.

2

Conduct a feasibility study for an indoor/outdoor multi-use sports facility in the Denton area.

4



OBJECTIVE: Launch a county-wide branding initiative that conveys the spirit of Caroline County and why it's a great place to live and work.
Priority Level 2

Working with a community branding expert, the CEDC will convene stakeholders from throughout Caroline County to discuss the strengths of the community and what makes it unique. This feedback will be used to create a unifying brand that can be used throughout the county. The brand will be available for use by a variety of county departments and agencies, as well as economic development and tourism. Consistent use of the brand will convey a positive message that helps with business and talent attraction.

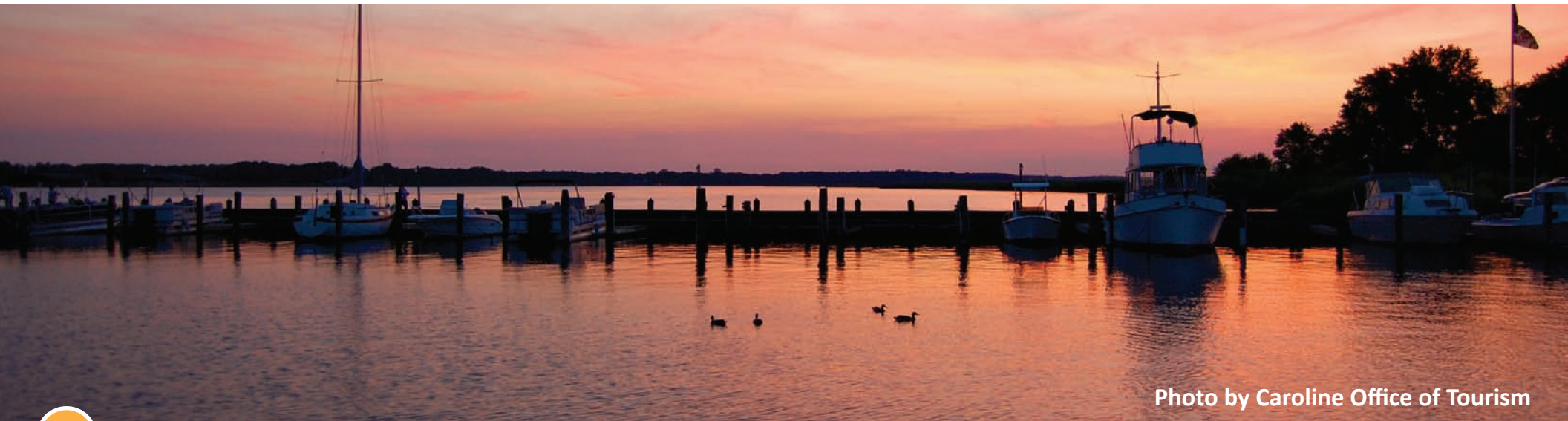


Photo by Caroline Office of Tourism

Strategic Area 4: *Marketing & Business Attraction*



OBJECTIVE: Create comprehensive marketing plans and budgets to attract companies in three target industries: manufacturing, logistics & fulfillment, and agriculture & ag technologies.

Priority Level 3

Target industries for business attraction were determined based on feedback from business leaders and a detailed analysis of Caroline County's strengths. Manufacturing, logistics & fulfillment, and agriculture & ag technologies are all industries that benefit from the type of labor force that is available in the county. Additionally, the county's infrastructure is ideally suited to each of these industries.

The marketing plans for each industry will drill down into company attributes that are an especially good fit for Caroline County. For example, company size, market niche, and specific workforce requirements will all be considered. This will help focus resources on opportunities that have the best chance of succeeding.



OBJECTIVE: Develop a comprehensive marketing plan and incentive strategy for the Mid-Shore Technology Park in Ridgely.

Priority Level 2

The Mid-Shore Technology Park in Ridgely was developed just before the Great Recession and remains unoccupied. As the economy improves, companies are once again looking toward new building and expansion projects. It is important to revisit the strategy for marketing the park and to ensure that it offers a competitive incentive package.

In many ways, this objective overlaps with several others in this plan. The county tax credit for expansion projects (page 14), workforce development initiatives (page 16), and marketing to the target industries mentioned above will all help make the Tech Park attractive to businesses. The marketing plan for the Tech Park will also explore the benefits of a spec building, the advantages of being located adjacent to the Ridgely Airport, and the opportunity to leverage the park to attract startup companies.



OBJECTIVE: Conduct a feasibility study for an indoor/outdoor multi-use sports facility in the Denton area.

Priority Level 4

The many opportunities for sports and recreation in Caroline County were consistently noted as a strength by focus group attendees. Several participants suggested pursuing the development of a sports facility that could host a variety of youth tournaments and draw visitors to the county. Such a facility could also provide vendor space for local small businesses.

The CEDC will work closely with Caroline County Recreation & Parks and YMCA of the Chesapeake to conduct a feasibility study for a multi-use sports facility. The feasibility study will consider market size/demand, possible ownership/management structures, startup and operating costs, possible sites, etc.



TARGET INDUSTRY SPOTLIGHT
Manufacturing

Caroline County is home to many manufacturers whose niche products have made them the leaders in their markets. A tradition of craftsmanship and problem solving has built a workforce that drives innovation. From industrial freezers, to guitars, to conservatories, Caroline County is where great things are made.

Custom conservatory designed and manufactured
by Tanglewood Conservatories of Denton

Summary of Objectives

Strategic Area 1: Infrastructure, Policy & Business Retention	Priority Level
Establish an Enterprise Zone that encompasses the Federalsburg and Frank M. Adams Industrial Parks.	1
Determine if the Denton Industrial Park can qualify for an Enterprise Zone designation by exception; if so, apply for the designation.	3
Establish a county property tax incentive for major expansion projects that take place outside of designated Enterprise Zone(s).	1
Investigate potential incentives for downtown development and make recommendations to the municipalities of Caroline County.	2
Review covenants for all industrial/business parks in Caroline County and propose updates that will make them more appealing to businesses.	1
Establish a public rail siding in the Federalsburg area.	3
Launch an Economic Gardening program to help growing companies.	4
Strategic Area 2: Workforce Development	Priority Level
Work with neighboring counties' school systems and Chesapeake College to create an inventory of technical training resources available in the area; form partnerships to share resources and provide students with greater access to tech training.	1
Work with Chesapeake College and Caroline County Board of Education to develop a Customer Service & Sales curriculum and career path.	1
Establish a full-time business liaison position within Caroline County Public Schools.	3
Develop a comprehensive, county-wide leadership development initiative.	4
Strategic Area 3: Entrepreneurship	Priority Level
Create a flexible, customizable incentive package for promising startup companies with significant growth potential.	3
Build a strong partnership with the Delmarva Food Hub and lead agricultural attraction efforts for the region.	2
Launch a Small Business Concierge service to directly assist micro enterprises.	2
Strategic Area 4: Marketing & Business Attraction	Priority Level
Launch a county-wide branding initiative that conveys the spirit of Caroline County and why it's a great place to live and work.	2
Create comprehensive marketing plans and budgets to attract companies in three target industries: manufacturing, logistics & fulfillment, and agriculture & ag technologies.	3
Develop a comprehensive marketing plan and incentive strategy for the Mid-Shore Technology Park in Ridgely.	2
Conduct a feasibility study for an indoor/outdoor multi-use sports facility in the Denton area.	4

“Greatness is not a function of circumstance. Greatness, it turns out, is largely a matter of conscious choice, and discipline.”

- Jim Collins, Good to Great




Photo by Florinda Oross Photography
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