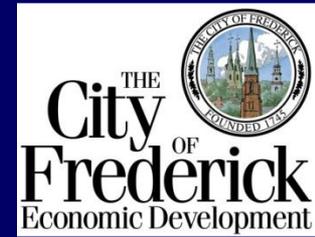


Frederick

M a r y l a n d

FREDERICK COUNTY, MARYLAND
DIVISION OF
BUSINESS DEVELOPMENT
AND RETENTION



Frederick County Association of Realtors Economic Development Briefing



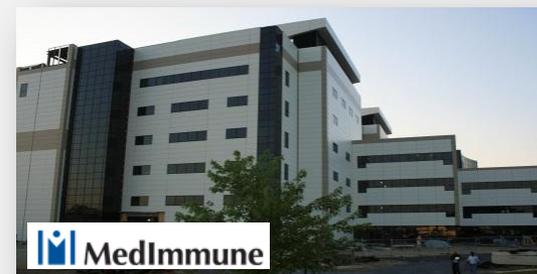
◆ www.businessinfrederick.com

◆ www.discoverfrederick.md.com



Trends and Initiatives

- ❖ Positive Population Growth
- ❖ Stabilizing Housing Values
- ❖ Positive Business Growth
 - *Biotechnology*
 - *Advanced Technology*
- ❖ Fort Detrick Expansion & BRAC
 - *National Interagency Biodefense Campus*
- ❖ Frederick National Laboratory for Cancer Research
 - *Advanced Technology Research Facility @ Riverside*
- ❖ Downtown Revitalization Continues
 - Carroll Creek Park Phase II
 - Downtown Hotel and Conference Center
- ❖ Golden Mile Revitalization Planned





Economic Development

CORE PREMISE: The role of economic development in enhancing the quality of life for all Frederick residents is a crucial one.

An attractive quality of life cannot be maintained, let alone enhanced, without a vibrant business community that produces family-supporting jobs for Frederick's growing population and contributes equitably to the tax base needed to support critical services.



What Does Economic Development Mean For You?

- Creating more jobs closer to home
- Diversified business community
- Diversified tax base
- Reduced commute time for residents
- Increased quality of life
- Greater opportunities to live, work and play in Frederick

The City of Frederick

Department of Economic Development

Mission:
To increase economic opportunities through job creation, revitalization, and reinvestment.



DED Priorities

1. Job Creation

- *Retention, Expansion, Attraction, Incubator*

2. Business Infrastructure Advocacy

- *Water, Sewer, Roads, Communications*

3. Downtown Revitalization

- *Historic Renovation, Infill Development, Adaptive Reuse, Upper Floor Conversion, Urban Parks*

4. Corridor Revitalization

- *Fill Key Vacancies, Capital Investment, Promotion*

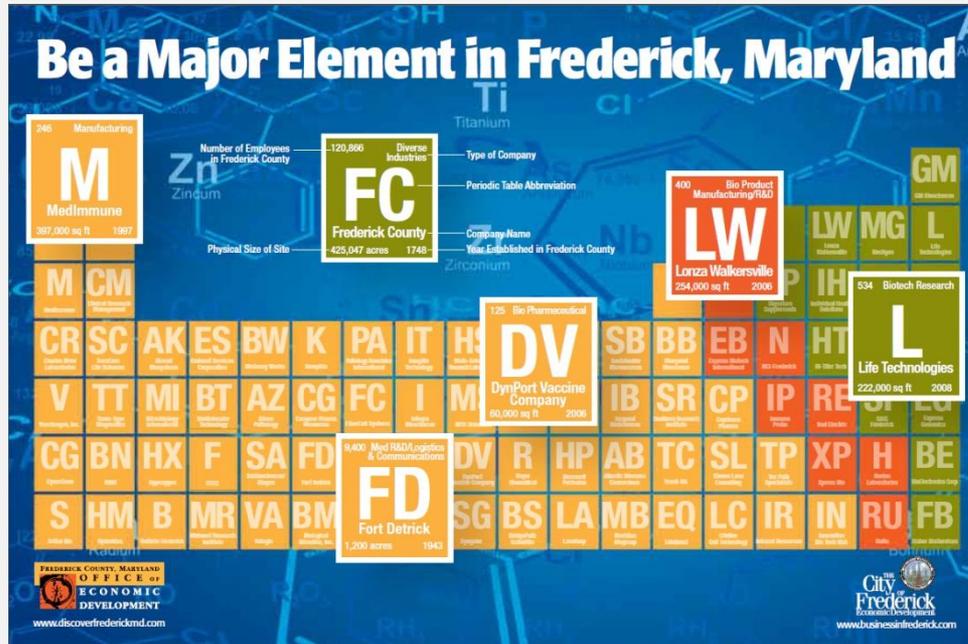
Frederick County Business Development and Retention Division

Mission

To support, retain and foster the growth of existing businesses in Frederick County and attract new businesses that bring career opportunities that enable Frederick County citizens to work where they live.

BDAC FY2012 Priorities:

- *Retain and support our existing businesses*
- *Attract businesses and entrepreneurs to Frederick County Business*
- *Establish, support, and expand business and technology incubator programs*
- *Support workforce system*
- *Support a business friendly environment in Frederick County*
- *Create a measurement process and tool for evaluating work of the BDRD and BDAC*
- *Maximize the advisory role of BDAC to BDRD and the Commissioners*
- *Increase and improve communication to and education for the public on what BDRD does and the value of business/ economic development*



Business Attraction

“Assisting businesses that bring career opportunities to Frederick County.....”

- Direct prospect/site selector contact
- DBED – RFP/RFI process with site selectors or companies
- GWI / World Trade Center Institute – Regional marketing organizations (source of lead generation)
- Commercial Realtors/Developers
 - BDRD’s Commercial Realtor Bus Tour
 - NAIOP’s Virtual Bus Tour and Tradeshow
- Advertising
 - Site Selection Magazine
 - Expansion Solutions Magazine
 - Business Facilities Magazine
 - Business Xpansion Journal
- Industry Tradeshows
 - BIO International
 - Mid-Atlantic Bio Conference
 - SmartPROC



Business Retention & Expansion

- Business Retention Visits
 - Annual Business Appreciation Week
 - Weekly business visits with elected officials
 - Year-round business visits with staff
- One-On-One Business Support/Ombudsman services
 - Development review, permitting, and regulatory assistance
 - Voice for business community in policy decision-making
 - Resource connections
- Industry-specific forums/networking events
 - Tech Frederick
 - Frederick County Manufacturers Roundtable
 - Competitive Edge Retail Series (w/ Downtown Frederick Partnership)
 - Shop Local Marketing Initiatives
 - Family Festival @ The Farm
- Awards/Recognition/Appreciation Events
 - Family Friendly Business Awards
 - Frederick County Tech Awards (Tech Council of Maryland)
 - BDRD Annual Event Awards



Business Creation

Creating jobs through entrepreneurship

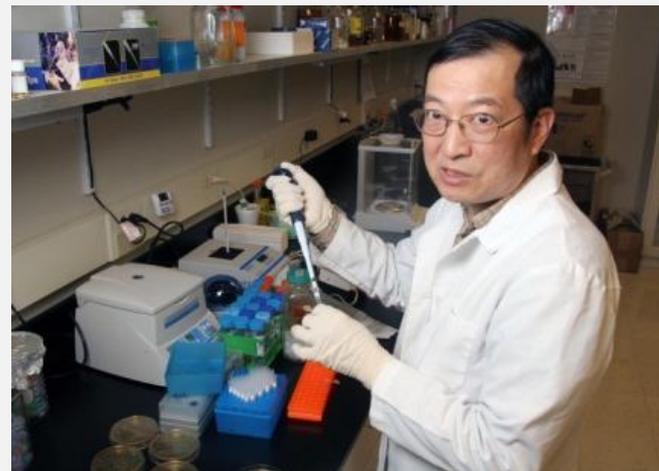


95% of business in Frederick are small businesses, with 50 or fewer employees

- One-on-one start-up consultations
- Frederick Innovative Technology Center
- Small Business Development Center
- Entrepreneur Support Network
- SCORE
- Technology transfer with federal research labs at Fort Detrick and NCI-Frederick



Frederick Innovative Technology Center, Inc.



- ❖ 15,000 sf – 25 offices, 10 wet labs
- ❖ 30 tenants with 70-80 employees at any one time
- ❖ 265 Jobs created since FITCI opened in 2005
- ❖ Graduates lease over 68,000 SF in community

Demographics

POPULATION	2010	2000
City	63,559	52,767
County	232,704	195,277
Maryland	5.7 million	5.3 million

Unemployment	2011	2000
City	6.4%	3.1%
County	6.1%	2.7%
Maryland	7.0%	3.8%
US	8.9%	4.0%



Source: 2010 Census / ESRI



Economic Development – What are the Challenges?

- Regulatory Environment – state & local
- Taxes & impact fees
- Transportation
- Water/Sewer Infrastructure
- The Incentives Game

Housing



HOUSEHOLDS	2010	2000
City	25,243	20,891
County	84,518	70,060
Maryland	2.2 million	2.0 million



Zip Code	2010 Sold	2010 Median \$	2011 Sold	2011 Median \$	\$ Change	% Change
21701	321	\$225,486	245	\$225,000	(486)	0%
21702	376	\$215,000	269	\$217,300	\$2,300	1%
21703	374	\$192,770	236	176,000	(16,770)	-9%
21704	186	\$349,000	124	\$346,070	(2,931)	-1%

Source: 2010 Census/ESRI/City of Frederick Planning

Labor Market

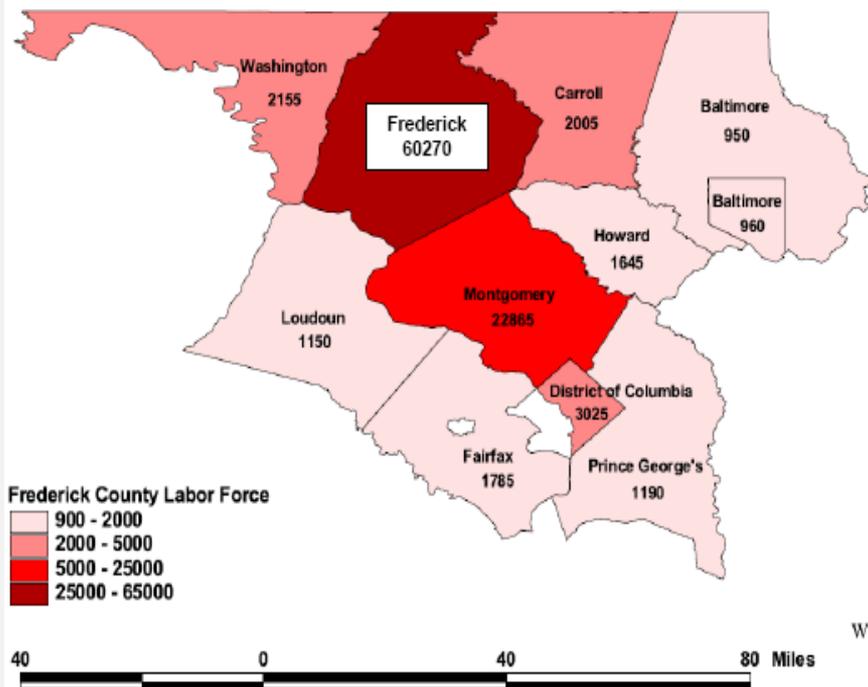


LABOR COMPONENT	COUNTY	CITY
Jobs	101,000	49,000
Labor Force	123,000	32,099
Businesses	8,300	3,500

Source: Frederick City & County / Maryland DLLR

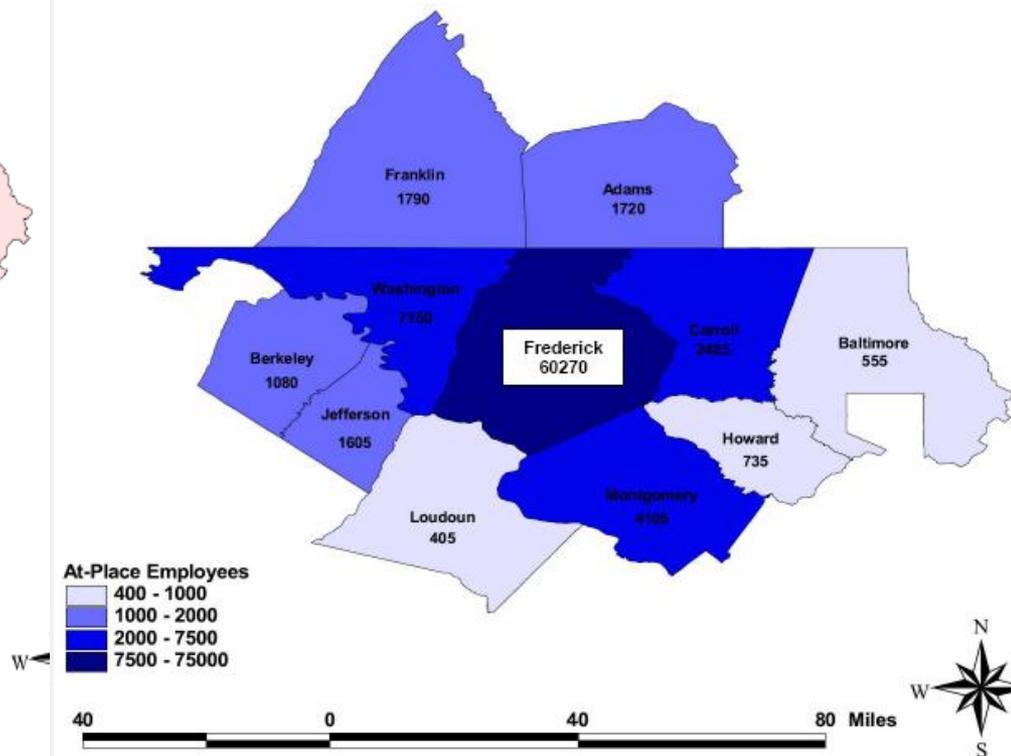
Labor Force Commuting Patterns

Where Frederick Residents Work



Source: Census Transportation Planning Package, BBPC, 2007

Where Frederick Workers Live



Source: Census Transportation Planning Package, BBPC, 2007

Education

❖ 3 Institutions of Higher Education



❖ 15 private schools serving Frederick:

- Banner School
- St John's Catholic
- St Thomas Moore Academy
- Trinity School



❖ Blue-Ribbon Public School System

- Lowest drop-out rate in MD (1.18%)
- Highest graduation rate
- Total 2011 enrollment = 40,487
- 36 elementary schools
- 13 middle schools
- 10 High Schools
- 7 specialty schools
 - Arts & Communications Center
 - Career & Tech Center
 - Earth & Space Science Lab
 - Heather Ridge
 - Monocacy Valley Montessori
 - Outdoor School
 - Rock Creek

Industry Sector Diversity

- ❖ Bio & Life Sciences
- ❖ Advanced Technology
- ❖ Manufacturing
- ❖ Services
- ❖ Tourism & Agriculture



Major Employers: >500 Emp.

Employer	Employees
Fort Detrick & NCI/SAIC-Frederick	9,200
Frederick County Board of Education	5,384
Frederick County Government	2,355
Frederick Memorial Healthcare	2,295
Bechtel (Power Division)	1,578
Wells Fargo Home Mortgage	1,500
Frederick Community College	899
United Healthcare	832
State Farm Insurance Company	793
Wal-Mart	700
National Emergency Training Center	577
Wegmans	550
Mount Saint Mary's University	511
The City of Frederick	500



Source: The City of Frederick Economic Development



Some Major Projects Currently Underway...

Fort Detrick & Frederick National Laboratory

Important To Our Country

- ❖ Cancer, AIDS, Biological Research & Vaccine Development
- ❖ Telecommunications
- ❖ Medical Protection for the Armed Forces

Important To Our Region

- ❖ JOBS – one of the largest employers – 9,200 jobs (1,300 military)
- ❖ ECONOMY - \$1.7 B in Maryland (\$652 M employee compensation)
- ❖ TECH TRANSFER – commercialization of off-the-shelf technologies to local entrepreneurs, often in Frederick's Hi-Tech Business Incubator



Riverside Corporate Park



- Riverside V - 125,000sf Class A Office Bldg. – fully leased - Major Tenants Include:
 - SRA International
 - US Silica
 - National Cancer Institute
 - Veteran's Affairs
- 3 additional Class A Office Buildings planned next to Riverside V, adjacent to Wells Fargo & Riverside Research Park
- Riverside VI, VII and VIII are each 116,000 square feet
- Riverside VI – groundbreaking in 2012

Market Square



- Adjacent to Clemson Corner
- 152,000 square foot retail power center
- Pad sites under construction

Banner Life & Urbana Corporate Center



- Relocation of HQ from Rockville
- Ribbon-cutting April 2012
- Gain of 400 jobs for Frederick County

Banner Life & Urbana Corporate Center



- Relocation of HQ from Rockville
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Life Technologies

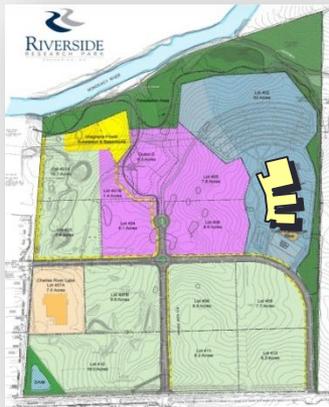


- Expansion of Frederick life sciences manufacturing facility
- 56,000 SF
- 250 employees retained, 50 net new jobs

Frederick National Laboratory - ATRF Riverside Research Park

SAIC

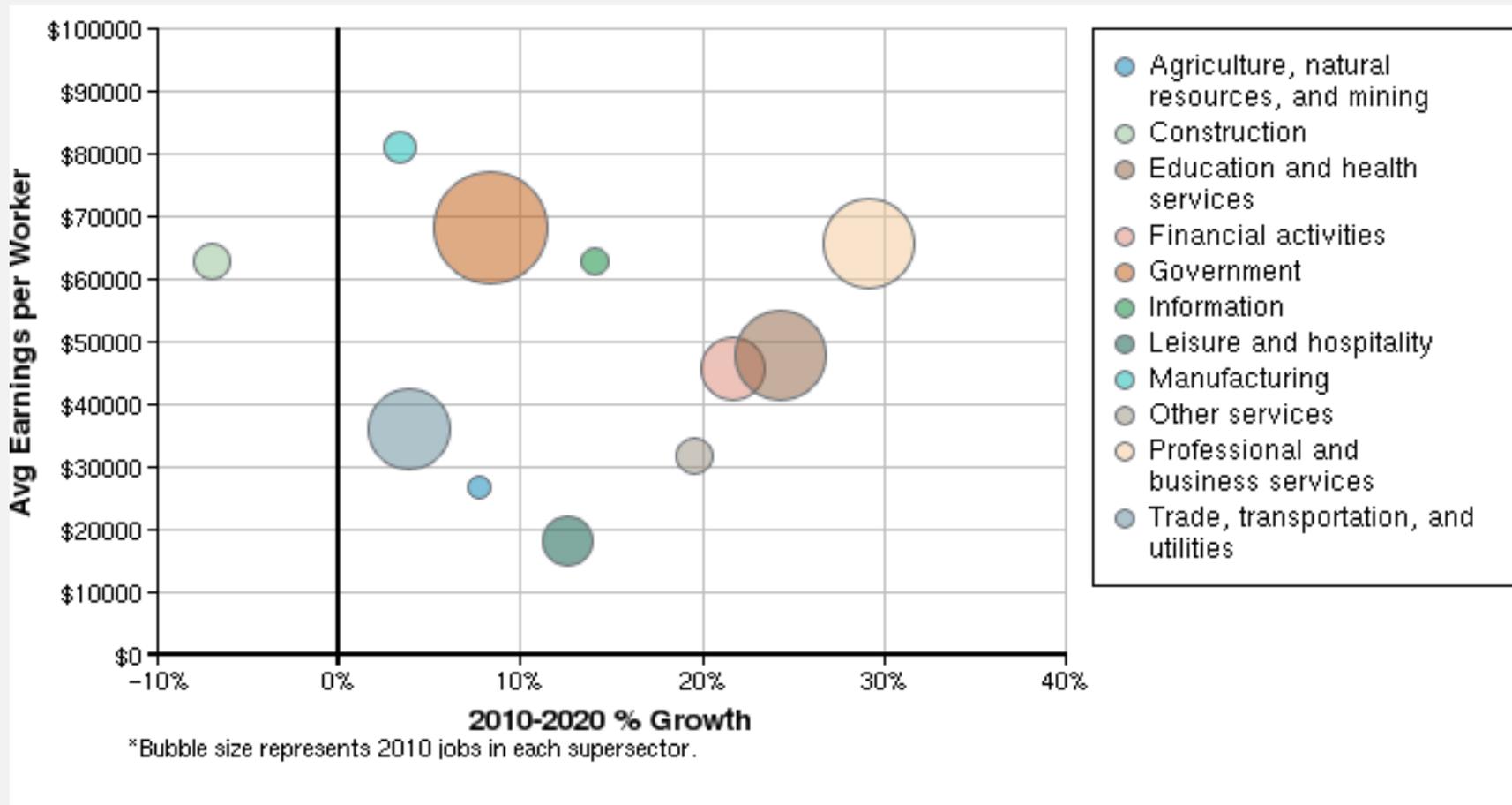
Frederick



- ❖ 330,000 sq. ft. office/lab building
- ❖ Campus expansion to 600,000 sq. ft.
- ❖ Maintain existing NCI Campus at Detrick
- ❖ Consolidate advanced technologies
- ❖ 370 existing employees to ATRF
- ❖ 200 additional employees in 5 years

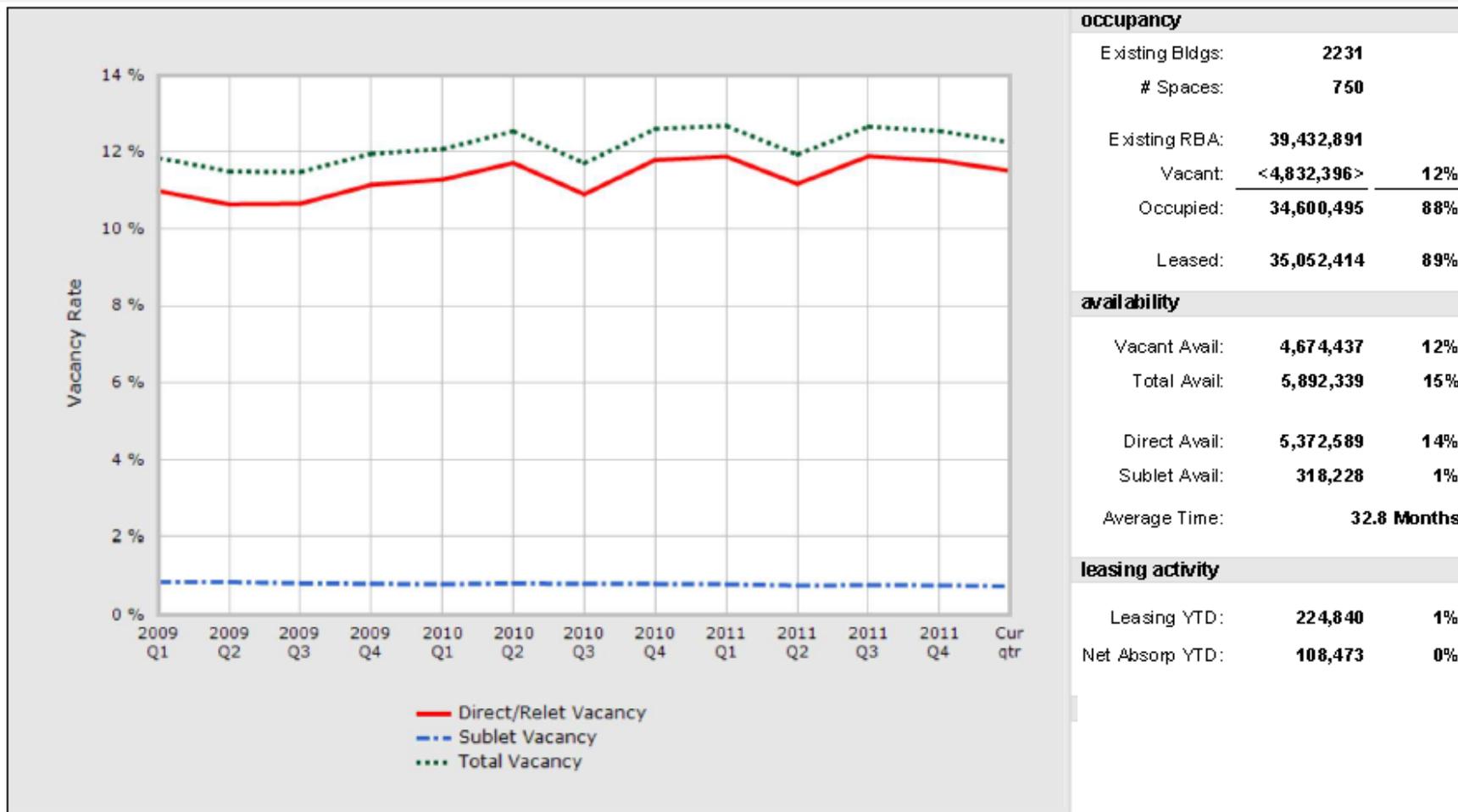


Industry Outlook: 2010 - 2020



Source: EMSI Complete Employment

Frederick Commercial Occupancy: 2009-11



occupancy		
Existing Bldgs:	2231	
# Spaces:	750	
Existing RBA:	39,432,891	
Vacant:	<4,832,396>	12%
Occupied:	34,600,495	88%
Leased:	35,052,414	89%
availability		
Vacant Avail:	4,674,437	12%
Total Avail:	5,892,339	15%
Direct Avail:	5,372,589	14%
Sublet Avail:	318,228	1%
Average Time:	32.8 Months	
leasing activity		
Leasing YTD:	224,840	1%
Net Absorp YTD:	108,473	0%

Source: CoStar

Business Growth: City and County

❖ **3% Growth during 2010-2011**

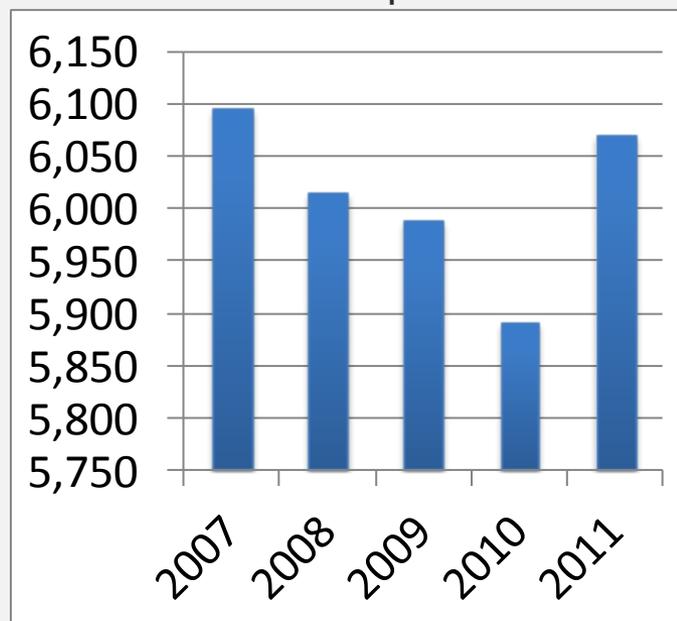
❖ **Target Industries:**

- **Bioscience**
- **Advanced Technology**
- **Manufacturing**
- **Agriculture**
- Other Growth Industries:
 - Health
 - Education
 - Financial Services
 - Hospitality & Tourism
 - “Green” industries

❖ **Target Industry Growth:**

- Number of bioscience companies in 2011 was 71, which has more than doubled since 2004

Annual Business Growth
2007-2011 Comparison



Source: Maryland Dept. of Labor, Licensing and Regulation; internal data collection

Commercial Construction: City

❖ Commercial Construction

- Average of \$143 million annually since 2005
- Average of 424 commercial permits annually since 2005
- \$739 million in planned and/or approved projects 2011 to 2015
- Riverside Research Park, Frederick Brick Works, CCP, Downtown, Frederick Towne Mall,

CITY BOND RATINGS

- Fitch **AA**
- Moody's **Aa3**
- S & P **AA**

Year	Est. Construction Value	# of Permits	Average value
2005	143,868,421	948	151,760
2006	100,687,053	413	243,794
2007	169,285,402	362	467,639
2008	103,460,300	350	295,601
2009	224,547,709	243	924,065
2010	136,515,589	236	578,456
2011	126,085,558	419	300,920
total	\$1,004,450,032	2,971	\$338,085
average	\$143,492,861	424	\$338,085

Source: The City of Frederick Economic Development / Permits & Codes

Commercial Construction: County

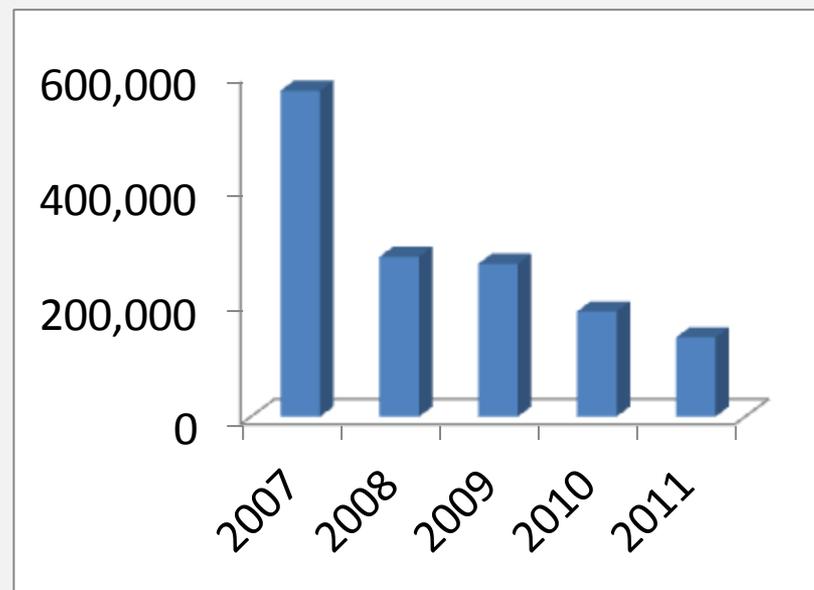
❖ **2007-2011: Total value of commercial and industrial construction decreased 311% to \$139 million.**

❖ **New Capital Investment: 2011 major project announcements include –**

- Social Security Administration-location announcement
- Banner Life Insurance – opened Spring 2011
- Canam Steel-expansion



2007- 2011 Commercial Construction Value



Source: Frederick County Division of Planning; internal data collection

Recruitment, Retention, Expansion



Lonza



Public Infrastructure

Carroll Creek Park

- ❖ Urban Park
- ❖ Bike/Pedestrian Pathways
- ❖ \$29 MILLION
- ❖ 1st Phase Complete – 2006
- ❖ 2nd Phase – Bid in 2012

Monocacy Boulevard

Center Section

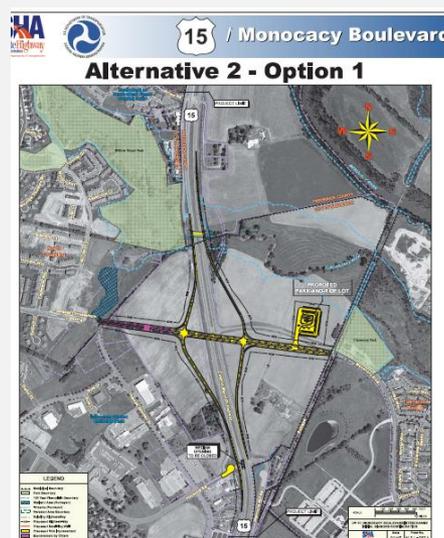
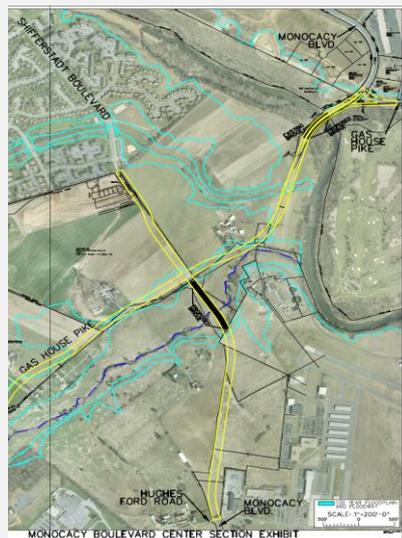
- ❖ \$11 Million (\$50 total)
- ❖ Under Construction
- ❖ Completion 2012

US15 Interchange

- ❖ \$70 Million
- ❖ Under Design
- ❖ Construction 2012

Municipal Airport

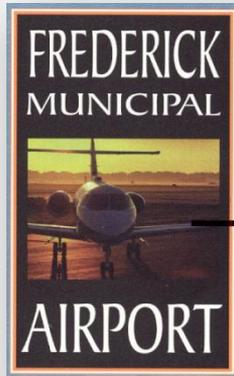
- ❖ Capacity/Safety Improvements
- ❖ New FAA Control Tower
- ❖ Lengthen Runway to 6,000 Ft.
- ❖ New Corporate Jet Hanger



Frederick Municipal Airport

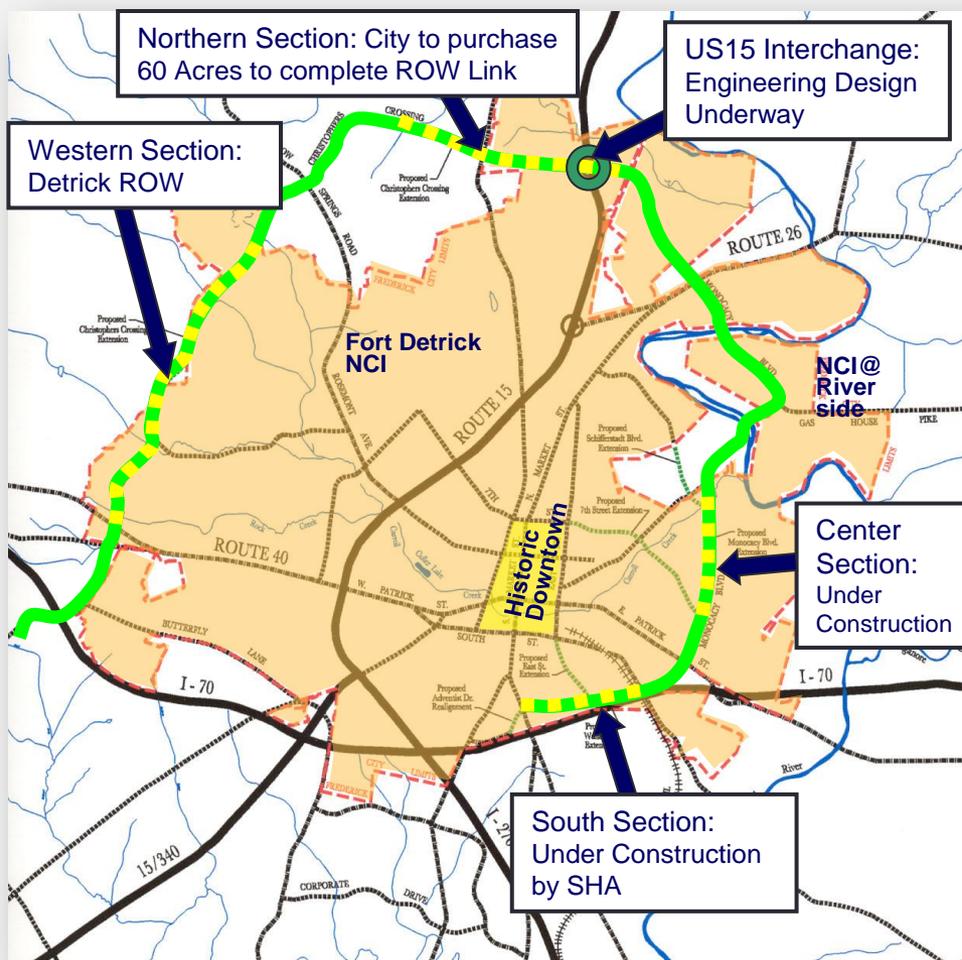


- ✈ 150,000 annual aircraft operations
- ✈ Instrument Landing System (ILS)
- ✈ 5,220' runway (proposed 6,000 feet)
- ✈ FAA Control Tower – under construction
- ✈ Proposed New Hangars
- ✈ 350 Businesses Use the Airport Annually



Photos courtesy of the Frederick News Post

Monocacy Blvd/Christophers Crossing



- ❖ Major Arterial Ring Road
- ❖ Local Traffic Reliever
- ❖ Access to Fort Detrick & NCI
- ❖ Access to NCI@Riverside
- ❖ Access to I-70, US15, MD26, US40
- ❖ New Interchanges at US15 & I-70

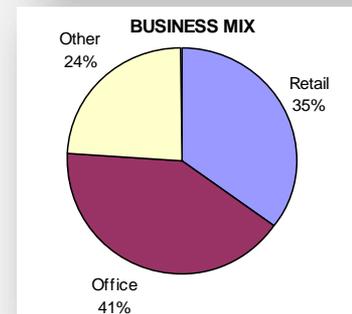
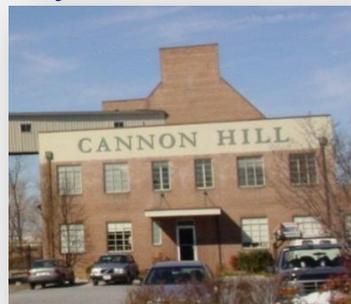
Monocacy Boulevard – Center Section

- ❖ BRAC Zone Infrastructure
- ❖ Connecting I-70 to Riverside Research Park
- ❖ Opens up land for employment development
- ❖ Better access for business to municipal airport



Downtown Frederick

- ❖ Hub of Culture, Commerce, Government
- ❖ 600 Businesses & Organizations employing 5,000 people
- ❖ 200+ of Restaurants and Shops
- ❖ 20 + IT Businesses
- ❖ More than \$200 million in private capital investment expected over next five years
- ❖ Direct relationship to economic strength and business development in community



Downtown: Carroll Creek Park



- ❖ Consistent Investment
- ❖ 30+ Years
- ❖ Six City Administrations
- ❖ \$200+ million public investment
- ❖ \$200+ million private investment
- ❖ Flood Control & FEMA 100 Year Map Revision
- ❖ Urban Park Development
- ❖ Mixed-Use Infill Development
- ❖ Business Recruitment and Job Creation
- ❖ Tax Revenue Generation – ROI
- ❖ Multi-Modal Transit – Rail, Bus, Taxi, Bike, Walk
- ❖ 18 Hour Day – Vibrant, Active, Fun Place to Be

Downtown: Carroll Creek Park

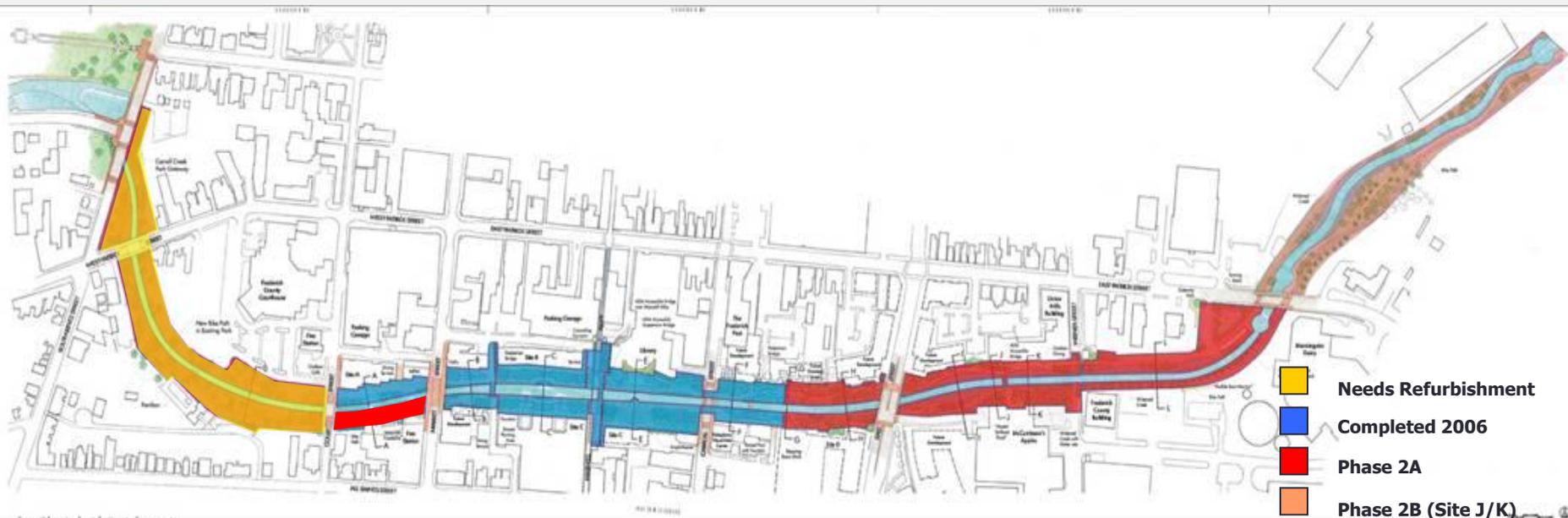
- 2002 Dozen Distinctive Communities
- 2005 Great American Main Street Award
- 2007 Maryland APA Project of the Year
- 2008 IEDC Project of the Year



Photo courtesy of the Frederick News Post

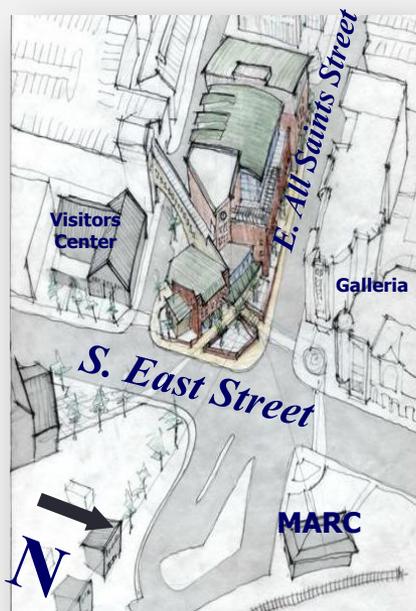
Downtown: Carroll Creek Park

- ❖ 405,000 sf office space
- ❖ 150,000 sf retail space
- ❖ 350 to 600 MF residential units
- ❖ 2,200 structured parking spaces
- ❖ 1,500 new jobs
- ❖ \$150+ million private investment



Downtown: Private Investment

PLANNED - One Commerce Plaza



PLANNED - The Galleria



COMPLETED - East All Saints Street Garage



COMPLETED - Frederick Tourism Welcome Center



PLANNED - Union Mills



COMPLETED - FCPS Headquarters



PLANNED - McCutcheon's Mill



UNDER CONSTRUCTION - Monocacy Canning

Downtown Hotel & Conference Center



Community Project Chairman – Earl Robbins

- ❖ Downtown Frederick is centrally located, has strong amenities, is transit-oriented, and has available sites.
- ❖ 200 Room Flagship Hotel
- ❖ 14,000+ SF of meeting space including a ballroom
- ❖ 250+ structured parking spaces
- ❖ Guest Amenities – Restaurant, Pool, Exercise Room, Business Ctr
- ❖ Green building design/construction
- ❖ \$45 million Public Private Partnership

• Major Employers Group

- SAIC-Frederick
- State Farm
- Frederick Community College
- Bechtel
- Wells Fargo Home Mortgage
- US Army Garrison Fort Detrick
- Chase Card Services
- Frederick County Public Schools
- Frederick Memorial Health Care
- Lonza BioScience
- MedImmune
- Mount St. Mary's University
- Plamondon Companies
- CitiMortgage



Frederick

M a r y l a n d



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