

**Economic Development Plan  
For Kent County, Maryland**

October 2013

FINAL

Submitted by:  
Kent County Economic Development Advisory Board

## **Economic Overview**

Kent County is the smallest county in both size and population in Maryland. It is a predominantly rural county in the State of Maryland—a state dominated by more densely populated urban and suburban cities and counties. Historically, Kent County’s economy has been based on farming and commercial fisheries, mature industries that remain important to the County’s economic health.

Kent County has many factors that contribute to its economy:

- Washington College and its cultural influence
- Beautiful, peaceful, rural landscape with highly desirable Bay, river, and creek water resources
- Historic buildings
- Vibrant and growing arts & cottage industries.
- Influx of retirees and that contribute to our economy with income from social security, pensions and investment income.
- Growth in high quality service industries such as financial, health and elder care, recreational charter boat fishing & outfitter hunting.
- Robust and growing travel and tourism industries
- Farming is economically attractive with rising grain prices, farmer’s market-based homegrown products, several new vineyards, and a winery.
- All of these amenities above are augmented by our relatively convenient location close to Annapolis, Baltimore, Washington, Wilmington, Philadelphia, New York and New Jersey. Kent County is surrounded by millions of people who live within a 3-hour drive of the County. This area includes a high percentage of the most prosperous families in the United States.

## **Why Does Kent County need an Economic Development Plan?**

- The decreasing number of middle-aged, middle-income families who reside in Kent County  
The small size of and lack of growth in the number of households that comprise our local market
- The perceived lack of an area workforce large enough, and with the skills required, to attract and sustain many small to middle-sized businesses
- The lack of access to high-speed, high-capacity Internet and cell phone service in many areas in the county
- The low ranking of our local public schools compared to other counties in Maryland
- Our reputation for being hostile to businesses at the State and local levels
- Fewer tax resources, coupled with high costs of local government service, owing to the small number and low density of our population
- To increase jobs, targeting a middle-aged demographic

## **Plan of Action**

Our primary goal is to enhance the infrastructure needed to support new and existing businesses and institutions in Kent County--particularly access to affordable, robust and high capacity internet access. By taking this action, we expect to expand the competitive capability of local businesses and institutions, provide more job opportunities for younger and middle-aged residents and improve our ability to attract and retain newly retired residents who choose to live in Kent County.

### **Specific Actions:**

- Streamline our ability to assess quickly the cost and time required to provide high speed, high capacity internet access, when requested by new or existing businesses in Kent County, including home-based businesses.

#### *Background:*

*Kent County has highly capable staffs in the IT and Economic Development Offices to facilitate high capacity internet access to existing and new businesses. Request that the State of Maryland focus on providing access to private development in the existing system.*

*The Maryland Broadband Cooperative has installed a fiber optic cable trunk line from Wallops Island, through Wye Mills and across the Bay to the Western Shore, where it connects to the Internet. This trunk line also travels from Wye Mills up route 213 through Chestertown and Galena to Elkton. The Maryland Broadband Cooperative now has the capability of leasing fiber optic cable to private entities in Kent County through Internet Service Providers (ISPs), who are members of the Cooperative.*

*A separate federal grant funded the installation of a lateral fiber optic cable from the Chestertown “point of presence” (POP), located at the Kent County Public Works facility on Route 291 near Chestertown. The USDA grant specified that the funds were intended only to connect the Rock Hall firehouse, school facilities and town hall and could not be accessed by any private entity. The Maryland Broadband Cooperative and Kent County have asked to have this provision waived, but that decision has not yet been approved.*

*Local ISPs have the capability to provide high speed internet service, and have expressed an interest to the Economic Development Advisory Board, of expanding their networks to serve more people in Kent County. However, these ISPs have emphasized that it is expensive to run cable and they are not likely to extend service to areas that will not return a profit. Sparsely populated areas are not likely to have robust internet service, because of the high cost of installing fiber optic cable. This includes most of the Rt. 301 corridor, where Millington and many of our Kent County sites zoned for industrial and commercial use are located. Furthermore, local ISPs are wary about leasing fiber optic access from the Maryland Broadband*

*Cooperative. They fear that the State of Maryland may not be as responsive repairing problems in the leased network as the ISPs require.*

In summary, while there is much uncertainty about providing robust internet access throughout Kent County, we think that most of these issues will be resolved over time. In the meantime, we need to be prepared to respond to any company that requires high speed, high capacity internet service by sending RFPs to the Maryland Broadband Cooperative for specific projects. The cooperative can distribute these to their ISP members. The ISPs will compete with each other to the advantage of the business and to the County.

- Maintain and support the expansion of existing businesses.
  - Inform businesses of county tax incentives
  - Engage DBED's assistance in assessing business needs, and informing businesses about DBED's supportive services and incentives.
  - Create a web-based listing of support services
  - Review current county tax incentives to provide a more realistic added job growth requirement
  - Support Kent County Chamber of Commerce
  - Support SCORE Chapter 670
  - Support the Upper Shore Regional Council
  - Work with the three Kent County business associations to develop a marketing plan to encourage buying local
  - Explore the possibility of re-establishing the revolving loan fund
- Explore the possible amendment of the Land Use Ordinance to add Business and Office Parks as a new permitted use
- Designate appropriate business sites for Health and Elder Care services.
- Designate suitable residential zones specifically for development of high quality, reasonable cost condominium housing that are attractive to age 50+ adults considering retiring to Kent County.
- Enhance and sustain close communication and coordination between the county commissioners, mayors, town council and managers and the Upper Shore Regional Council. This will be particularly important considering that the largest and most desirable properties for commercial development and priority funding are located in or adjacent to towns in Kent County. Access to public sewer and water may

require annexation by towns. It does no good to set up the capacity to attract new businesses if the county and towns are not involved and supportive of a plan.

- Attract new businesses with a marketing effort that will:
  - Focus on smaller, growing service-based businesses, including those that are currently located in heavily congested, high cost areas in Western Shore Maryland, Pennsylvania and Washington DC.
  - Actively promote the attractive features of living in Kent County.
  - Obtain and highlight information on Kent County High School and local private school graduates that are academically skilled and successful in being accepted at high quality colleges and universities.
  - Strongly support the Kent Forward effort to raise the ranking of Kent County Public Schools in Maryland’s evaluation of local school systems.
  - Market the Kent County labor pool as people who live within 45 minutes of Kent County, not just county residents. The population of counties, adjacent to Kent County—including Delaware—adds up to nearly 700,000 people. About 89,000 adults aged 20 to 64 live within a 45 minute drive to Chestertown. Almost 268,000 adults live within 45 minutes of Millington on Route 301.
  - Develop data and promote the low costs of lease or purchase of commercial and industrial zoned property in Kent County as compared to heavily populated areas in Maryland, Pennsylvania and Washington DC.
  - Highlight that, except for real estate taxes, Kent County does not tax local businesses, including having no personal property tax.
  - Establish a local team of independent volunteers that represent a broad spectrum of industry sectors, to meet with prospective new business owners/executives. These team members would be asked to take on two specific tasks: 1.) Help convince businesses that they would be a good fit with Kent County, and 2.) Act as an advocate to facilitate county review and prompt decision-making.
  - Develop a web-based inventory of properties available for lease or purchase in Kent County that are zoned for industrial, commercial and business office zoning.

- Develop a web-based map of properties that are zoned for Employment Center Development and Priority Funding—whether or not these properties are available for lease or purchase.
- Develop a web-based map of high-speed internet availability throughout the County.
- Develop a plan to communicate with Kent County residents to explain what we are proposing, why it is important, and what the economic impact means to the future of Kent County and its towns and villages.
- Develop a plan that outlines traditional and innovative means of financing the costs of infrastructure that would be required to retain existing and growing businesses and attract new small to medium-sized companies to Kent County. It is the intention of this Economic Development Advisory Board to minimize the need for immediate tax expenditure, and focus instead on preparations that would help the county promptly develop a financial plan when an opportunity arises. This plan would include a detailed description of the various choices, the pros and cons of specific options and the immediate and long-term cost to Kent County.
- **Develop a Long-Range Strategic Plan for Economic Development.**

**Recommendations:**

- Re-establish the Office of Economic Development either as a separate Department or as a dedicated staff within the Office of Tourism and Economic Development.
- Create new job descriptions for the Economic Development staff that will establish reasonable goals and objectives and provide long-term accountability for results.
- Provide a budget sufficient to seek out and enter into contracts with qualified professional consultants for a long-range economic development strategy. This plan should include a financial analysis of the costs and value of specific strategies.
- This Plan provides a wide range of ideas to enhance economic development in Kent County. Many of these ideas require staff time and funding to be successful. It is not necessary, nor likely to implement all of these ideas immediately.

**Appendix:** Attached for informational purposes; each page does not necessarily correlate with a specific statement.

- State & County Quick Facts (People, Housing, Business, Geography)**
- Kent County PFA Map (Priority Funding Area)**
- Kent County MD Potential Labor Pool**
- Kent County Drive Time Demographics**
- Kent County Demographic and Socio-Economic Outlook**
- State of MD Demographic and Socio-Economic Outlook**
- Kent County 2010 Demographics-Change in Population Mix by Age Group**
- Kent County 2010 Demographics-Change in Population Mix by School Age Group**
- Kent County 2010 Demographics-Household Income Distribution**
- Kent County 2010 Demographics-Population, Housing Units**
- Kent County 2010 Demographics-Ethnicity, Employment Status**
- Kent County 2010 Demographics-HH Income, Education Attainment**
- Kent County 2010 Demographics-Employment by Industry**
- Kent County 2010 Demographics-Consumer Spending Profiles**
- Kent County 2010 Demographics-Comparison w/QA, ES & State**
- Kent County Map-Commercial, Industrial Zoning**
- Kent County Map-Zoning, Sewer/Water, Towers, Fiber Optic Lines**