

September 2015

ECONOMIC DEVELOPMENT PLAN

Town of Centreville, Maryland



Prepared by:



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Economic Development Plan

Town of Centreville, Maryland

September 2015

Prepared For:

Town of Centreville

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RKG Associates, Inc. (RKG) would like to extend appreciation to all of the Town's stakeholders who participated on this important project, and the Centreville Economic Development Authority Board for their oversight and guidance.

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Table of Contents

Chapter 1 EXECUTIVE SUMMARY	
A. Socioeconomic Analysis.....	3-1
B. Assets, Challenges and Opportunities	3-1
C. Implementation Plan	3-3
Chapter 3 SOCIOECONOMIC ANALYSIS	
A. Introduction	3-1
B. Demographic Trends	3-1
C. Economic Base Analysis.....	3-4
D. Implications.....	3-10
Chapter 4 ASSETS, CHALLENGES AND OPPORTUNITIES	
A. Business Attraction and Support Assets	4-1
B. Infrastructure	4-4
C. Workforce Characteristics.....	4-7
D. Quality of Life	4-9
E. Amenities.....	4-11
F. Capacity to Grow.....	4-11
G. Market Context	4-14
H. Summary of Assets, Challenges and Opportunities	4-15
Chapter 5 IMPLEMENTATION PLAN	
A. Introduction.....	5-1
B. Economic Development Initiatives.....	5-1

1 EXECUTIVE SUMMARY

A. SOCIOECONOMIC ANALYSIS

- Centreville and Queen Anne's County have experienced steady population and household growth at a rate that is higher than the State of Maryland since 2000.
- Centreville has a higher proportion of juvenile age population (0-14) and retirement age population (65+) than the state, but lower proportions of 15 to 44 year olds. This trend would support local child related and age in place services.
- Queen Anne's County has seen the 25 to 44 age group decline by 11% from 2000 to 2013. This age cohort is gravitating to more urban areas with greater job opportunities and a diverse mix of housing opportunities.
- Centreville's residents are highly educated, which is attractive to industries requiring highly skilled workers.
- Overall, non-farm employment grew in the County by 1142 jobs, from 11,090 in 2003 to 12,232 in 2012, an increase of 10%. By contrast, employment in the State of Maryland grew 1.4% in the same period.
- Growth sectors include Health Care, Accommodations and Food Services, Construction, Professional, Scientific and Technical Services; Transportation and Warehousing; Finance and Insurance; and, Administration, and Public Administration (government). The most significant decline in employment occurred in manufacturing.
- Recent declines in the County's workforce could present challenges for attracting business in the future if the trend is not reversed or stabilized.
- The manufacturing sector lost over 300 jobs from 2003 to 2012, and now employs just over 500. Efforts to bolster this sector will be an important component of an economic development strategy, and will be most effective if undertaken in partnership local, regional, and state agencies and organizations.
- From a socioeconomic standpoint, there are several advantages to Centreville that can be marketed to potential employers. First, Centreville can draw from a highly educated workforce that resides in the Town and the County, many who presently commute to jobs on the Western Shore. Second, the population is growing at a faster rate than the State, indicating a steadily increasing demand for goods and services. Third, the age cohort with the greatest amount of resources to purchase goods and services, the 45 and over group, is steadily growing.

B. ASSETS, CHALLENGES AND OPPORTUNITIES

- Centreville enjoys substantial and diverse real estate assets targeted to employment supporting uses in various stages of development. These include:

- **Centreville Business Park** – 100 acres with a 67,000-square-foot vacant flex building, available office space, and 50 undeveloped land.
 - **Coursevall Building** – 17,000 square feet of Class A space available for lease.
 - Two notable economic development opportunity sites were identified in the course of the analysis of Downtown Centreville: the publicly-owned land on the east side of **Pennsylvania Avenue**; and, the **FBI Annex building** attached to the Post Office. Both of these sites are discussed in greater detail in the next section of this report.
- The County may seek to dispose of excess land fronting Route 304 to the private sector as development of the County Complex moves forward. This will present the potential for **commercial development through rezoning** that could benefit from the presence of both the County complex and the YMCA.
 - The 2009 Centreville Community Plan (Plan) shows a pattern of future annexation from the Town's eastern limit along MD Rt. 304 extending east to U.S. Rt. 301. **The 301/304 interchange** area is currently zoned Suburban Industrial, and is shown on the Plan as a County Planned Business Park. This area has the potential for development of logistics and manufacturing uses.
 - **Transportation and access** assets include excellent highway access to U.S. 301 to points north and U.S. 50 to points west and south. Centreville is served by the Maryland and Delaware Railroad (MDRR), which ties into the Norfolk Southern system in New Castle County, Delaware, which serves the Port of Wilmington to the north and the Hampton Roads, Virginia area to the south.
 - An assessment of Centreville's current build-out capacity suggests that **sewer capacity** will be adequate to serve pipeline development in the near- to mid-term. With regard to water, the County has deeded an acre to the Town near the 301/304 interchange for a **future water tower**.
 - Residents and businesses in Centreville have good **broadband availability** and a number of service providers to choose from, depending on their needs.
 - The Upper Shore WIA, which includes Caroline, Dorchester, Kent, Queen Anne's, and Talbot Counties has a **diverse workforce** comprised of 18% blue collar and 82% white collar workers. The high proportion of out-commuters indicates that potential exists to capture additional jobs that are "leaking" from the local economic base.
 - Queen Anne's County has a **low crime rate, excellent access to health care facilities** for its residents and workers, and **highly rated public schools**. These are key considerations of executive decisions to locate and/or expand to a jurisdiction.
 - Homeownership housing costs are high in Centreville compared to the state, but rents are low. Centreville has about 370 units for rent. As the Town of Centreville annexes designated Growth Areas in the future, consideration should be given to the provision of multi-family development to provide more diverse housing opportunities than now exist.
 - Centreville's **historic, pedestrian friendly downtown** and its **Wharf Area** are two key quality of life amenities it has to offer. The Town is also within a designated **Heritage Area** and located on a **National Scenic Highway Route**.
 - Centreville is one of six designated growth sub-areas in Queen Anne's County, where **development is encouraged to concentrate** in order to conserve rural and environmentally sensitive areas. The Centreville Community Plan makes provisions for Growth Areas around

Centreville to absorb future development and facilitate annexation into the Town for contiguous development wishing to take advantage of an extension of utilities.

- The **local and regional market for office and flex space is very competitive**, with excess inventory in Annapolis, Kent Island, and Easton.
- A recent study prepared by Real Property Research Group (RPRG) found that Centreville could comfortably support the development of a private pay **assisted living community** of between 30 and 40 units, and that the site is a suitable location for that type of product. Follow up analysis conducted as part of this plan reinforces those findings.
- **Summary of Assets**
 - Available buildings and land that can readily accommodate a variety of non-retail businesses.
 - Local, regional, and state economic development resources.
 - Excellent highway access to major markets, future rail access (limited).
 - Available utilities capacity: water, sewer, broadband.
 - Excellent quality of life.
 - Designated county growth area.
 - Centreville Economic Development Authority.
 - Designated Main Street.
 - Town is within a designated Heritage Area and located on a National Scenic Highway Route.
- **Summary of Challenges**
 - Distance from major markets.
 - Weak position in a regional tourism/visitation economy.
 - Relative competitive disadvantage in office/flex market.
 - Visitor's support infrastructure lacks lodging.
 - Younger, white collar workforce is trending to urban areas.
- **Summary of Opportunities**
 - New county economic development regime.
 - Commitments to proactive economic development efforts on the part of Town and County.
 - Economic development plan.
 - Opportunity areas that can be planned to facilitate economic development.
 - Publicly owned real estate assets that can be leveraged to fund economic development initiatives.
 - Provisions for new growth areas in Centreville Community Plan.

C. IMPLEMENTATION PLAN

- For a community the size and scale of Centreville, an effective implementation plan will require substantial resources and technical expertise to execute. It is recommended therefore that **Queen Anne's County Department of Economic Development should serve as the Town's lead implementation entity** to carry out initiatives and activities associated with economic development in the Town of Centreville.
- In the future, the Town may reach a consensus that the dedicated efforts of a **business development professional on a part-time basis** may be appropriate to assist and enhance QACDED efforts on behalf of the Town.
- The Centreville Business Park should be marketed and promoted for an **Assisted Living Facility or Continuing Care Retirement Community**.

- Centreville should proactively improve its position in the local business environment through actions that differentiate it from the competition for office and flex tenants in Kent Island and Easton. This can be accomplished through a public or public/private initiative to create and operate a **business incubator** and/or **co-work space**, which is a shared working space accommodating independent activity.
- The **Centreville Business Park** and the **Coursevall Building** should be aggressively marketed to non-retail businesses to build and maintain a diverse economic base in Centreville.
- The Town should create a **development strategy for its Pennsylvania Avenue site** that includes a small area plan and an evaluation of the potential for various land uses on the site before it moves forward with any developer solicitation activities. Proceeds from the eventual sale of the property could potentially be directed into an economic development incentive fund, similar to how the county seeded their own economic development incentive fund.
- The Town should continue with its efforts to procure or enter a long term lease on the **Federal Building** adjacent to the Post Office. By controlling this key property, the Town can gain an important economic development asset that it can use to leverage economic development initiatives.
- The probability exists that the County will seek to dispose of excess road frontage property that will come available during or after the development of its new complex on Ruthsburg Road (MD Rt. 304). In order to plot the course of future development and otherwise exert some control over how the property is developed in the future, the Town should **draft the zoning** of the property in advance of any public/private transfers.
- The Town should encourage the County to initiate the preparation of a **Master Plan for the U.S. Rt. 301/ MD Rt. 304 Interchange Area** that emphasizes the development of employment supporting uses. The area's transportation assets make it particularly suited for logistics operations, given the presence of a major U.S. highway and rail access.
- The Town should encourage the County to initiate the preparation of a **Master Plan for the U.S. Rt. 301/ MD Rt. 213 Interchange Area** that emphasizes the development of a highway oriented commercial growth area, combining commercial uses with a greenbelt buffer to create an attractive gateway that beckons passersby to stop and linger in Centreville. Due to their relative accessibility, highway interchanges are natural environments for land uses such as lodging, convenience retail, and food & beverage establishments.
- The Town should **review zoning** for the aforementioned opportunity areas to determine if it is compatible with the future vision for the sites or whether a rezoning may be warranted when appropriate.
- It is recommended that the Town **continue with updating its assessment of sewer capacity projections** based on current development projects in the planning pipeline, and include reasonable development scenarios for undeveloped tracts such as the Pennsylvania Avenue property and the Turpin Farm. In addition, a build-out scenario for the undeveloped acreage in the Centreville Business Park that includes a 45-unit Continuing Care Facility should be factored in.
- Specific focus should be directed to attracting and retaining businesses in the **manufacturing, health care** (including aging-in-place care) and **logistics** (at the 301/304 interchange area) sectors.

- To the extent possible and where applicable, the Town should seek to piggy-back onto the County's **real property tax credit incentive program**. To be eligible for the tax credit, a business must make significant real property improvements to a nonresidential structure that, when completed, increases the full fair market value of a property, as determined by the Department of Assessments and Taxation by at least \$25,000. The business must establish to the satisfaction of the Department of Economic Development that it will create a minimum of 12 new full-time positions within 36 months of completion of construction.
- The town could, at its discretion, **waive its sewer and water allocation fees** in order to incentivize the development of desirable, employment supporting land uses. It is likely that the Town would actually reimburse the Public Works enterprise fund in the event these fees are waived, so the fiscal and economic benefits of a new business enterprise would have to be weighed against the municipal costs on a case by case basis to determine eligibility. An alternative to a fee waiver is an option to pay the fee in installments over a period of years, effectively easing front loaded capital costs for the investor.
- The Town should adopt a **streamlined development review processes** for high impact, targeted industries that are relocating or expanding in their jurisdictions. The Town can assign a staff representative as a "concierge" to businesses who are going through the permitting process.
- **Business incentive candidates** should be evaluated based on the following criteria:
 - *Dollar value of proposed real property improvements;*
 - *Sustainability of business (business history, longevity, etc.);*
 - *Project adheres to overarching economic development objectives for a specific area.*
- As Centreville's economic development effort gains inertia and begins to yield tangible results, **three key metrics can be tracked in order to evaluate progress:**
 - *Increased occupancies in office, retail and industrial space;*
 - *Jobs attracted/created/supported; and,*
 - *Capital investment.*
- CEDA has formally committed to undertake the following concurrent and sequential activities:
 - Continue to track implementation efforts and call out measures of success and accountability;
 - Conduct periodic reviews of real estate regulations and regulations regarding the formation and conduct of businesses to identify, and otherwise mitigate, unnecessary impediments to business development. This should include the review and evaluation of relevant external regulations in collaboration with County and State economic development agencies;
 - Address how regulatory streamlining water and sewer allocation fee waivers can be most effectively implemented to attract desirable businesses;
 - Maintain a proactive approach to plan for future water/ sewer capacity, particularly as critical masses of new development are brought on line;
 - Inventory available business supporting building space and development ready land;
 - Clarify and build consensus for intended land uses at the and U.S. Rt. 301/MD Rt. 304 and U.S. Rt. 301/MD Rt. 213 interchange and corridor areas to guide future master planning;
 - Recommend pursuing school and workforce development training academy operations;
 - Create and maintain a pride of place and build community buy-in for economic development and downtown revitalization initiatives;
 - Call for creation of a comprehensive Town-wide marketing plan and brand identity;
 - Encourage and support more improvements to Downtown properties;
 - Develop and promote façade improvement tax incentives;
 - Utilize more stringent code enforcement to proactively address blighted properties;
 - Recommend low cost and near term financial and non-financial incentives to improve visual appeal;

- Explore and support the development of tourism experiences that capitalize on existing tourism and visitation on the Eastern Shore and the Town's cultural and natural assets.

2 INTRODUCTION

In 2014 members of the Centreville Town Council, recognizing the opportunity for beneficial outcomes that might arise from facilitating economic development and expanding the commercial tax base for the town, passed an ordinance to empower a Centreville Economic Development Authority (CEDA) to analyze the situation and develop strategies to guide related growth by choice instead of by chance. As a result, this plan has been created to frame a strategy for future economic development that may occur in and around the Town of Centreville. Basing the planning process on a certain vision for eventual outcomes resulting from the plan, the CEDA offers the following statement:

“While retaining small town character and historic significance, Centreville Maryland will become a hub of economic activity within Queen Anne’s County for citizens of any race, creed, culture or economic background. Centreville will develop a vibrant town center core and work to become a community that supports local businesses.”

“Centreville will encourage business retention and attract new business development in appropriate locations, while working to increase available services and amenities to support its existing and future residential population, with the intent to develop continuing care and age in place services as a specific focus of effort.”

“With careful stewardship of cultural and natural resources Centreville will manage a planned effort to increase tourism, host and promote events as well as outdoor recreation activities in and around the town, and provide an array of activities that foster an enjoyable quality of life.”

The following Economic Development Plan is prepared on behalf of the Town of Centreville for the CEDA, the official body tasked with advancing business development and job creation in and around the Town. The plan includes an assessment of local and regional socioeconomic characteristics; the Town’s physical infrastructure, utilities and resources; and the workforce skills available in association with the Town. The plan also assesses Centreville’s competitive position for business attraction in a regional context, and analyzes the potential opportunities and challenges to successful economic development.

RKG Associates, Inc. was selected through a competitive bidding process to assist Centreville in crafting the economic development plan. In the course of the work program, RKG professionals reviewed relevant plans and documents, and interacted with key stakeholders including CEDA members, municipal staff, local real estate professionals and developers, business leaders, economic development practitioners, and others. Stakeholder input provided local context for analyzing other key aspects of Centreville’s economic environment, including industry trends and land use dynamics.

The findings of the work program informed the synthesis of an implementation plan that comprises short-, medium-, and long-term initiatives that will enable the Town and County to take immediate action on certain tasks as well as take initial steps in the planning for long-term projects. The resulting plan for economic development details the opportunities and corresponding actions that will maximize Centreville’s ability to leverage its resources while positioning itself to improve efficiency and effectiveness. The findings and recommendations of the Centreville Economic Development Plan are organized in this report in the following sections:

The report includes the following chapters:

- Chapter 1 – Executive Summary
- Chapter 2 – Introduction
- Chapter 3 – Socioeconomic Analysis
- Chapter 4 – Assets, Challenges & Opportunities
- Chapter 5 – Implementation Plan

3 SOCIOECONOMIC ANALYSIS

A. INTRODUCTION

The following chapter analyzes demographic trends and projections in areas such as population, households, income, education attainment, and employment data. The analysis focuses on trends and conditions within the Town of Centreville, but includes comparative data for Queen Anne’s County and the surrounding region where appropriate. The data presented in this section provides insight into local and regional growth trends as well as projected future growth patterns. These factors provide the framework for understanding the economic activity in the Town. The consultant utilized several public and private data sources to complete the analysis including the U.S. Census Bureau, the U.S. Bureau of Labor Statistics, ESRI (Site to Do Business)¹, the Maryland Department of Labor, Licensing and Regulation, and the Maryland Department of Business and Economic Development.

Population, household, and income trend data provided by ESRI includes decennial data from the U.S. Census Bureau summarized for users in the real estate industry. ESRI incorporates projection data developed by their proprietary approach.

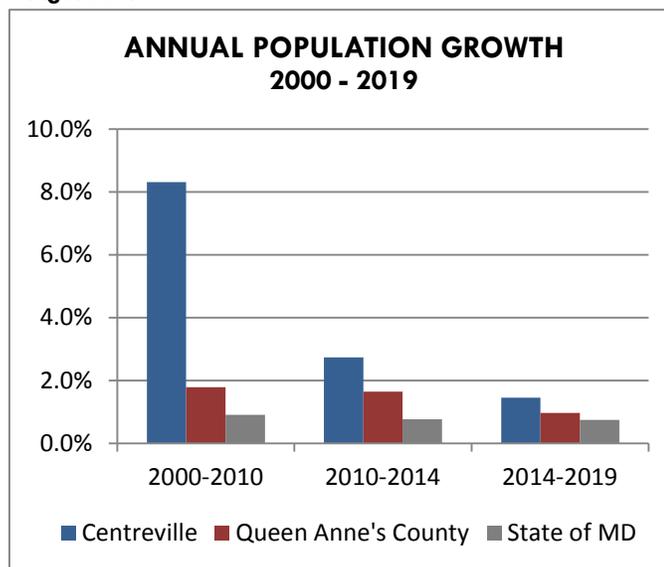
B. DEMOGRAPHIC TRENDS

1. Population and Household Trends and Projections

Information from the U.S. Census indicates that Centreville experienced a surge of population growth from 2000 to 2010, from 2,340 persons to 4,285 persons. This occurred largely through the annexation of the North Brook development, which consists of 430 homes, and Symphony Village, which is an age-restricted community comprising 390 homes. This resulted in an average annual population growth rate of 8.3% in the decade. From 2010 to 2014, the growth rate slowed to an annual average of 2.7%, and is projected at 1.5% in the next five years.

For comparison, Queen Anne’s County’s population grew at an annual average rate of 1.8% from 2000 to 2010 and 1.6% from 2010 to 2014, and the State’s population grew at an annual average rate of 0.9% from 2000 to 2010 and 0.2% from 2010 to 2014 (Figure 3-1).

Figure 3-1



Source: ESRI and RKG Associates, Inc., 2015

¹ ESRI is an internationally renowned data vendor of socioeconomic and market data.

Household growth trends typically parallel population trends. household growth in Centreville was slightly less than population growth at 7.1% from 2000 to 2010. The household growth rate in Centreville was the same as population from 2010 to 2014 at 2.7%.

3. Population by Age

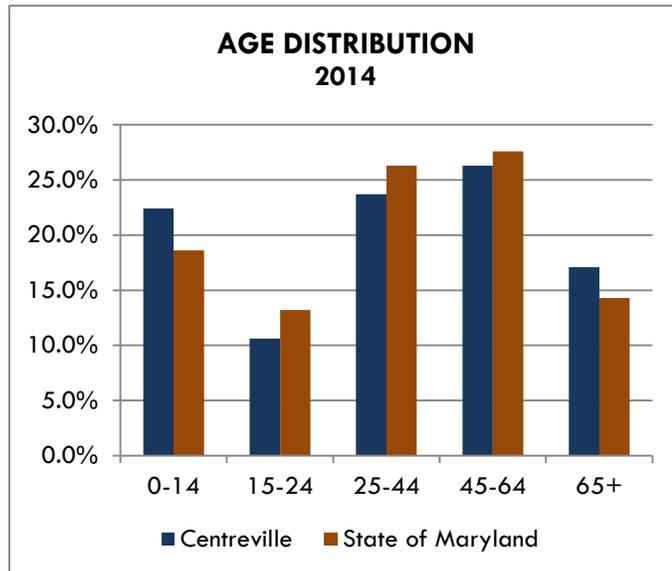
Compared to the state, Centreville has a high proportion of juvenile (age 0-14) and retirement age (65+) populations. The working age populations (25-44 and 45-64) are of a lower proportion than the state (Figure 3-2)).

When analyzing population trends by age, more relevant patterns of aging are discernible on a county level, particularly with regard to local workforce. A closer examination of age trends show that the young, working age population (25-44) actually decreased in Queen Anne’s County from 2000 to 2013, from 12,291 to 10,963. This may reflect a trend towards urban living in this age cohort, as well as a lack of housing choice in the County itself, where the 2012 median owner-occupied home value was \$356,800.

The 45 to 64 age cohort grew 39% from 2000 to 2013, and added more population than other groups, expanding by 4,164, from 10,522 in 2000 to 14,716 in 2013. Another key demographic trend in Centreville, the County, and the surrounding region is the steady increase in the 65-plus age cohort, which grew from 5,175 in 2000 to 7,596 in 2013, an increase of 47% (Figure 3-3).

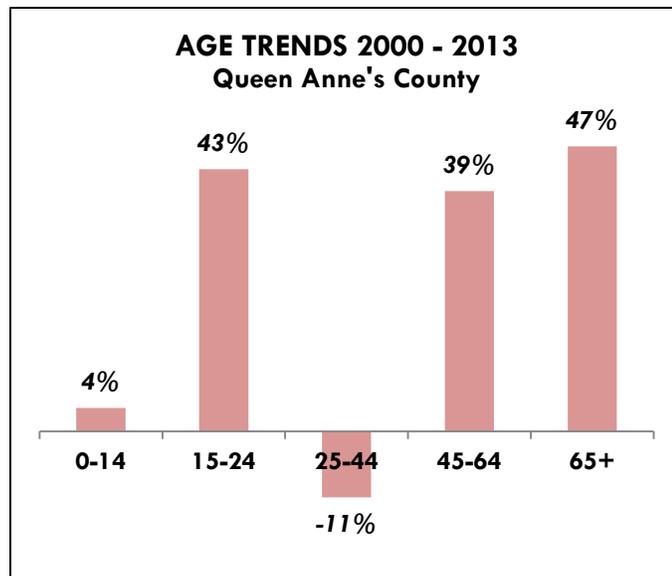
An examination of aging trends in Kent, Talbot and Caroline Counties showed similar trends to Queen Anne’s, indicating that the Eastern Shore is a popular retirement destination and that residents are content to age in place. The relatively high proportions of juvenile and retirement age populations support demand for age in place and child-directed service businesses.

Figure 3-2



Source: ESRI and RKG Associates, Inc., 2015

Figure 3-3



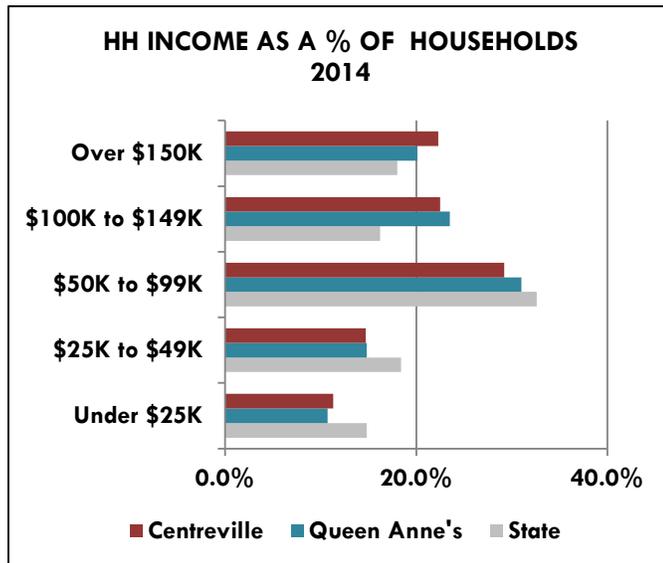
Source: ESRI and RKG Associates, Inc., 2015

4. Household Income

Centreville's median family income is relatively high as compared to the County and State. At \$90,312, it is above Queen Anne's County at \$87,871 and the State of Maryland at \$73,534.

Queen Anne's County has the highest median household income within the Upper Shore Area which includes: Talbot County (\$61,597); Caroline County (\$58,632); and, Kent County (\$56,259). It also edges out Anne Arundel County at \$87,430. The County's relative prosperity is due in large measure to its resident's relative proximity to high paying jobs in the Washington, D.C and Baltimore metro areas. The high proportion of prime wage earners in the 45 to 64 age group also contributes to the area's prosperity, along with retirees (Figure 3-4).

Figure 3-4

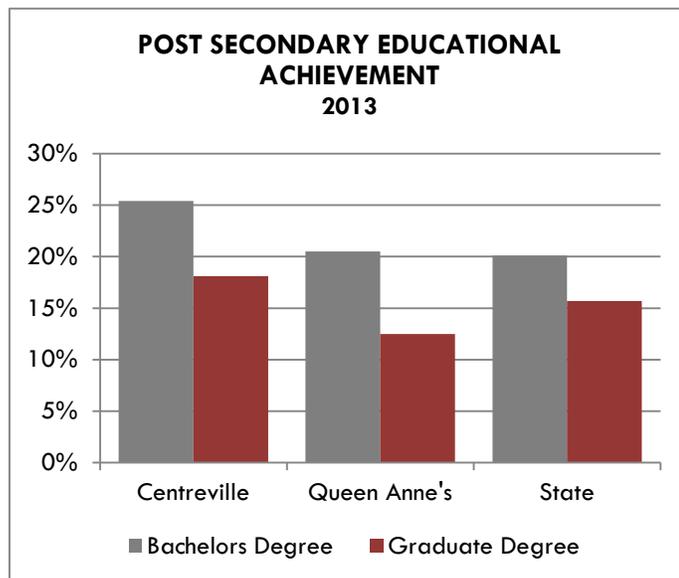


Source: ESRI and RKG Associates, Inc., 2015

5. Education Attainment

The education attainment of Centreville's labor force is a significant factor in supporting efforts to expand economic development and attract new employers. Figure 3-5 illustrates the educational attainment levels of the population 25 years and older for the Town, County and State. Centreville's residents have higher proportions of bachelor's (25%) and graduate (18%) degrees than both Queen Anne's County and the State of Maryland. The County has a slightly higher proportion of bachelor's degrees (21%) than the State (20%), but a lower proportion of graduate degrees (13%) than the State (16%). This finding is a positive, when considering expanding economic development recruitment for industries requiring highly skilled workers.

Figure 3-5



Source: ESRI and RKG Associates, 2015

C. ECONOMIC BASE ANALYSIS

The economic base analysis examines changes in the labor force and business characteristics of Centreville and also provides comparisons to the region in an effort to understand and frame the economic opportunities for the Town. This analysis includes data on employment, major employers, labor force and unemployment trends, occupational skills and commuting patterns, which will help to establish a context for evaluating the local and regional development potential.

1. Employment Trends

At-place employment measures the number of workers within a specific geography, without regard to place of residence. The most recent industry trends data is available for Queen Anne's County from the U.S. Census' Longitudinal Employment-Household Dynamics database. Table 3-1 presents employment by sector data for the County between 2004 and 2013. The data is categorized based on the North American Industry Classification System (NAICS) which facilitates comparison over time and geographic location. Major industry sectors are identified by the two-digit NAICS code.

Overall, non-farm employment grew in the County by 1,142 jobs, from 11,090 in 2003 to 12,232 in 2012, an increase of 10%. By contrast, employment in the State of Maryland grew 1.4% in the same period. *Accommodations and Food Services* employed 2,066 in 2012, reflecting an increase in employment of 36% from 2003. In a county which attracts a considerable number of tourists and visitors from steadily growing metropolitan areas to the west and north, retail, hotel and restaurant sectors should remain strong. In 2012, the *Retail Trade* sector accounted for the second highest number of private sector workers with 1,895, but declined by 4% from 2003.

Education is the County's third largest industry sector, employing 1,195. Construction was the County's fourth largest private industry sector at 1,030 employees, defying the national trend of decline in this sector by adding 38 workers since 2003. The *Health Care* sector has seen consistent growth nationwide, and grew from 646 workers in 2003 to 1,025 workers in 2012, owing in large part to the expanding University of Maryland Shore Regional Health.

Other sectors showing improvement include: *Professional, Scientific and Technical Services; Transportation and Warehousing; Finance and Insurance; and, Administration. Public Administration* (government) employment grew from 580 in 2003 to 617 in 2012. The *Manufacturing* sector lost the most jobs from 2003 to 2012, declining from 874 to 512.

Table 3-1
At-Place Employment by Industry 2003-2012 Trends
Queen Anne's County

NAICS*	DESCRIPTION	2003	2012	Δ 2005 to 2012	TREND
	TOTAL ALL JOBS	11,090	12,232	1,142	↑
22	Utilities	3	7	4	↑
23	Construction	984	1,022	38	↑
31-32	Manufacturing	874	512	(362)	↓
42	Wholesale trade	808	759	(49)	↓
44-45	Retail trade	1,982	1,895	(87)	↓
48-49	Transportation and warehousing	150	252	102	↑
51	Information	199	115	(84)	↓
52	Finance & insurance	172	274	102	↑
53	Real estate & rental & leasing	173	140	(33)	↓
54	Professional, scientific & technical services	557	755	198	↑
55	Management of companies & enterprises	90	60	(30)	↓
56	Admin. & support, waste management	329	504	175	↑
61	Educational services	1,072	1,195	123	↑
62	Health care & social assistance	646	1,025	379	↑
71	Arts, entertainment & recreation	361	381	20	↑
72	Accommodation & food services	1,519	2,066	547	↑
81	Other services	591	653	62	↑
92	Public Administration	580	617	37	↑

¹North American Industry Classification System Code

Source: US Census Longitudinal Employer-Household Dynamics; RKG Associates

2. Centreville Business Summary

Table 3-2 lists Centreville's employment sectors by number of businesses and employees, as estimated for 2014. The largest single sector is *Public Administration* with 744 employees among 32 agencies. *Health Care* employed 335 in 37 businesses, *Professional, Scientific and Technical services* employed 247 in 80 businesses, and *Construction* employed 236 in 24 businesses. Indented sub-sectors fall within the major industry sector counts.

Table 3-2
At-Place Employment by Industry 2014
Town of Centreville

Industry Sector	Businesses	Employees
Agriculture, forestry, fishing & hunting	5	12
Mining, oil and gas extraction	0	0
Utilities	2	120
Construction	24	236
Manufacturing	5	10
Wholesale trade	10	49
Retail trade	27	106
Motor vehicle & parts dealers	2	8
Furniture and home furnishing stores	1	2
Electronics & appliance stores	2	4
Bldg material, garden equip & supplies	2	14
Food & beverage stores	2	27
Health & personal care stores	4	9
Gasoline stations	2	7
Apparel & accessories stores	2	10
Sport goods, hobby, books & music	2	2
General merchandise stores	0	0
Miscellaneous retailers	5	7
Nonstore retailers	3	16
Transportation and warehousing	8	28
Information	2	38
Finance & insurance	22	113
Central bank/credit intermediation	7	82
Securities, commodity contracts & other	6	12
Insurance carriers & related activities	9	19
Real estate & rental & leasing	12	28
Professional, scientific & technical services	80	247
Legal services	20	68
Management of companies & enterprises	1	2
Admin. & support, waste management	50	84
Educational services	11	205
Health care & social assistance	37	335
Arts, entertainment & recreation	4	20
Accommodation & food services	10	92
Hotels	1	10
Restaurants	9	82
Other services	41	159
Automotive repair & maintenance	6	15
Unclassified	42	0
TOTAL	478	2,278
Public Administration	32	744

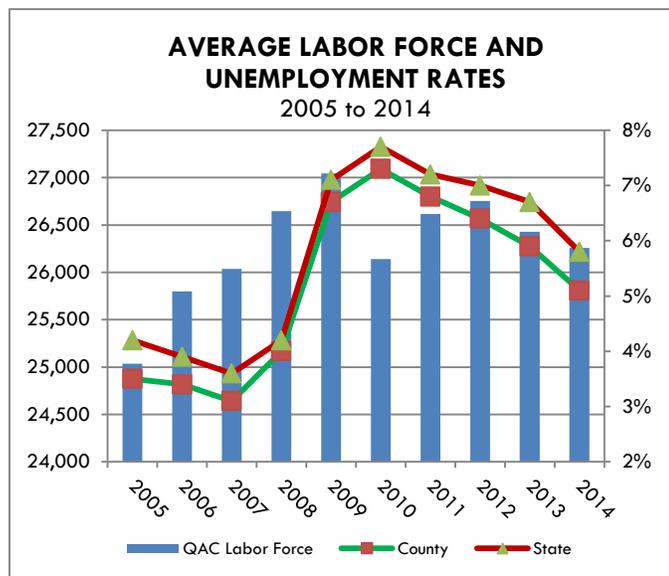
Source: Esri; RKG Associates 2015

3. Unemployment Trends

The labor force and unemployment rate are measures of the size of a region’s active, resident worker base, as well as their current employment status. The labor force includes workers who are currently employed, unemployed, or actively looking for work. Queen Anne’s County’s labor force increased steadily from 25,037 in 2005 to 27,043 in 2009. In 2010, the workforce contracted to 26,141, rose, then fell to its 2014 level of 26,258.

Unemployment rates in the county have followed state trends. The rates in the county have remained consistently lower than the State of Maryland throughout the study period (Figure 3-6).

Figure 3-6



Source: Bureau of Labor Statistics; RKG Associates, 2015

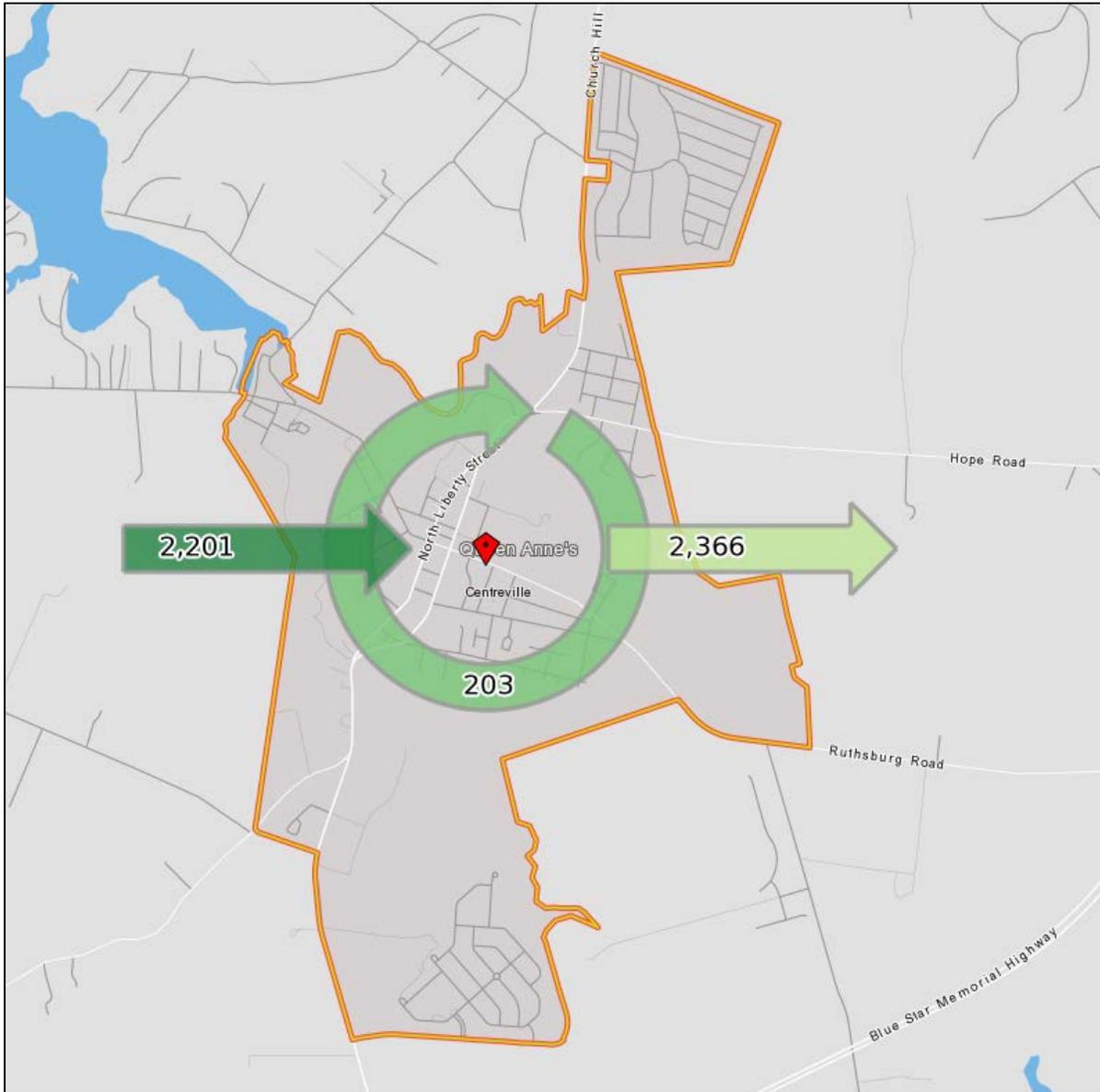
5. Commuting Patterns

Understanding commuting patterns can provide useful insight into evaluating potential actions in developing an economic development strategy. Commuting patterns highlight the flow of workers into, and out of, a given labor market area and as such, can help to indicate where there may be potential to capture additional jobs that are “leaking” from the local economic base.

Figure 3-7 illustrates 2011 commuting patterns for at-place workers and residents of Centreville. Of the 2,404 persons estimated to be employed in Centreville that year, approximately 203 (8.4%) were Centreville residents, and 2,201 (91.6%) lived outside the Town and commuted in. Commuters who left Centreville to work elsewhere numbered approximately 2,366.

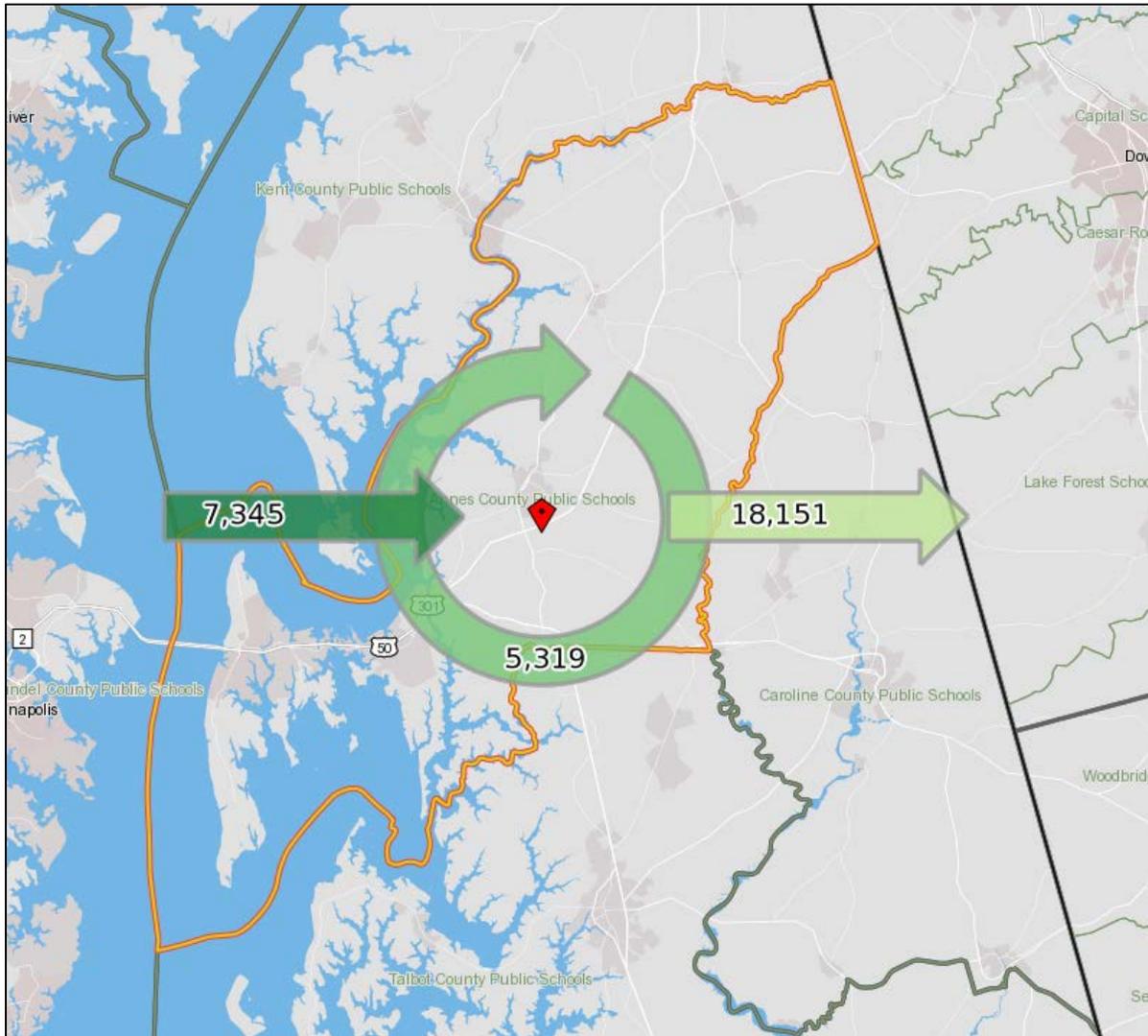
A different circumstance emerges when commuting patterns for Queen Anne’s County are examined. Of the 12,664 persons estimated to be employed in the County that year, approximately 5,319 (42%) were County residents, and 7,345 (58%) lived outside the County and commuted in. Commuters who left the County to work elsewhere numbered approximately 18,151. The State of Maryland Department of Labor, Licensing and Regulation estimates that 12% of residents commute to Anne Arundel County, 9.2% commute to Baltimore County and Baltimore City, 5.5% commute to Prince George’s County, 3.7% commute to Montgomery County, and 1.5% commute to Washington, D.C.

Figure 3-7: Inflow-Outflow of Labor. Centreville. MD



Source: U.S. Census Longitudinal Employer-Household Dynamics 2015

Figure 3-8: Inflow-Outflow of Labor. Queen Anne's County, MD



Source: U.S. Census Longitudinal Employer-Household Dynamics 2015

D. IMPLICATIONS

Population change rates in Centreville and Queen Anne's County exceeded the state from 2000 to 2013. An examination of age trends indicate the area is a viable destination for the older working age group between 45 and 64, as well as retiring baby boomers. The young, working age millennials between 25 and 44 have been migrating out of the area, most likely to urban/suburban employment centers that offer a broad range of jobs and housing choices. This is a trend in rural, as well as suburban, areas throughout the nation as a well-educated and tech savvy workforce converges in the cities.

With all of the challenges in retaining its millennial workforce, Queen Anne's County has succeeded in adding jobs at a higher rate than the state since 2004. The relatively high proportions of juvenile and retirement age populations support demand for age in place and child-directed service businesses. Nonetheless, declines in the County's workforce could present challenges for attracting business in the future.

Although there were notable increases in the lower paying retail and service sectors such as hotels and restaurants, the County also added jobs in the health care sector. While hotels, restaurants and retail in the County are heavily dependent on visitation, tourism, and travel, growth in the health care sector is more a function of resident population and demographics.

The manufacturing sector lost over 300 jobs from 2003 to 2012, and now employs just over 500. Two of the major employers in this sector are PRS Guitars (musical instruments) and Delmarva Sash and Door (millwork). Efforts to bolster this sector will be an important component of an economic development strategy, and will be most effective if undertaken in partnership local, regional, and state agencies and organizations.

From a socioeconomic standpoint, there are several advantages to Centreville that can be marketed to potential employers. First, Centreville can draw from a highly educated workforce that resides in the Town and the County, many who presently commute to jobs on the Western Shore. Second, the population is growing at a faster rate than the State, indicating a steadily increasing demand for goods and services. Third, the age cohort with the greatest amount of resources to purchase goods and services, the 45 and over group, is steadily growing.

4 ASSETS, CHALLENGES, AND OPPORTUNITIES

A. BUSINESS ATTRACTION AND SUPPORT ASSETS

1. Real Estate Assets

Centreville enjoys substantial and diverse real estate assets targeted to employment supporting uses in various stages of development. These assets are identified and described below by their distinguishing characteristics, location within the Town, and potential for business opportunities in Centreville. Real estate assets are presented in the sequence of their readiness to accommodate development, from near-term to long-term opportunities.

Near-Term Opportunity Areas

- Centreville Business Park (Park) & Coursevall Building — The Centreville Business Park is the Town's premier commerce park located on the east side of Route 213. Comprising approximately 110 acres, the Park accommodates both retail and employment supporting uses, including one-story office buildings and a 67,600-square-foot flex building. Flex space gets its name by having a flexible amount of office or showroom space in combination with manufacturing, laboratory, warehouse distribution, etc. It is generally constructed with little or no common areas, load-bearing floors, loading dock facilities and high ceilings, but can usually accommodate overhead doors. The entire flex building is available for lease. There is additional office space available for lease and proposed for construction. The Park also contains approximately 50 acres of finished, undeveloped sites (Figure 4-1).

Figure 4-1: Centreville Business Park



Source: MD DBED 2015

Figure 4-2: Coursevall Building



Source: RKG Associates 2015

Figure 4-3: Flex Building



Source: RKG Associates 2015

The Coursevall Building is located on the west side of Route 213 across from the Centreville Business Park. The 20,000-square-foot Class A building is currently advertised as having 17,000 square feet available for lease (Figure 4-2).

- **Downtown Centreville** — Centreville’s downtown employment supporting uses include municipal buildings as well as small to medium sized commercial buildings ranging from two to three stories. The May 2015 Main Street Market Analysis prepared by JGSC surveyed the Main Street District and identified 135 properties housing retail or restaurants, 7 non-retail tenants, and 17 vacant properties. The Main Street District also contains public buildings such as the District Court, Health Department, Post Office, Library, and Town Offices.

Two notable economic development opportunity sites were identified in the course of the analysis of Downtown Centreville: the publicly-owned land on the east side of Pennsylvania Avenue; and, the FBI Annex building attached to the Post Office. Both of these sites are discussed in greater detail in the next section of this report.

Mid-Term Opportunity Area

- **County Complex/YMCA Residual Property** — Queen Anne’s County will be consolidating various operations in its new office complex on Route 304 in 2016, and negotiations are underway to develop a YMCA sports and recreation facility nearby. The County may seek to dispose of excess land fronting Route 304 to the private sector as development moves forward, which will present the potential for commercial development through rezoning that could benefit from the presence of both the County complex and the YMCA. The potential for this site is discussed in greater detail in the next section of this report (Figure 4-4).

Figure 4-4: Queen Anne’s County Property



Source: RKG Associates 2015

Figure 4-5: US Rt. 301/MD Rt. 304 Interchange Area



Source: RKG Associates 2015

Long-Term Opportunity Area

- **U.S. Rt. 301/ MD Rt. 304 Interchange Area** — The 2009 Centreville Community Plan (Plan) shows a pattern of future annexation from the Town’s eastern limit along MD Rt. 304 extending east to U.S. Rt. 301. The 301/304 interchange area is currently zoned Suburban Industrial, and is shown on the Plan as a County Planned Business Park. The potential for this area is discussed in greater detail in the next section of this report (Figure 4-5).

2. Business Development Resources

A key step in developing an economic development strategy is to gain an understanding of the ongoing efforts of local and regional economic development agencies, including their specific activities in support of Centreville's economic development objectives. This is to ensure that the Town's strategy enhances, not duplicates, current initiatives conducted by Queen Anne's County Office of Economic Development, the Small Business Development Center at Chesapeake College, and other key advocacy organizations. In this way the Town can direct their efforts and allocate resources where they will be most effective in achieving their specific goals and objectives. Strategic partners in Centreville's economic development efforts include, but are not limited to the following agencies and organizations:

Queen Anne's County Office of Economic Development - The lead agency for implementing economic development initiatives for the County and its jurisdictions. Also plays the strategic leadership role in working with and leveraging the assets of regional and state economic development entities as well as workforce development, education and job-training providers.

Centreville Economic Development Authority (CEDA) – CEDA is an official body of volunteer stakeholders tasked with certain responsibilities related to advancing business development and job creation in and around the Town. These tasks include oversight of activities and initiatives related to economic development in the Town of Centreville.

Centreville Main Street Program – Main Street Maryland is a comprehensive downtown revitalization program created in 1998 by the Maryland Department of Housing and Community Development. The program was developed to help designated communities improve the economy, appearance and image of their traditional downtown business districts. The Town of Centreville became a designated Main Street program in 2012.

Small Business Development Center (SBDC) – The SBDC provides management training and technical assistance to small businesses, offering consulting services and training at no cost to its clients. The most common profile of businesses seeking assistance from the SBDC is ten or less employees and gross revenues of \$5 million or less. The Chesapeake College satellite office serves Caroline, Dorchester, Kent, Queen Anne's and Talbot Counties, with Queen Anne's being the most active.

The SBDC is an excellent resource for tracking business activity in the region. The businesses who access the SBDC are typically seeking assistance with the preparation of business plans to guide their expansions. These homegrown businesses are most likely to maintain their roots in the community, and every effort should be made to ensure that they have access to all of the available resources they need to thrive and prosper.

Queen Anne's County Economic Development Incentive Fund Commission – Offers loans and grants to businesses interested in relocating to the county and businesses already in the county that are seeking to expand. In 2014, the county committed \$750,000 to the fund and will continue to replenish it with 50 cents of every \$4.95 from recordation taxes. A five-member commission oversees the fund, which can be used outside of Priority Funding Areas.

Upper Shore SCORE (Service Corps of Retired Executives) – SCORE is a network of volunteers who offer small business entrepreneurs confidential business counseling and mentoring services at no charge. SCORE also provides local workshops and events to connect small business owners with the people and information they need to start, grow, and maintain their businesses. Upper Shore SCORE is located in Chestertown.

Eastern Shore Entrepreneurship Center (ESEC) – ESEC is nonprofit organization that assists entrepreneurs through a portfolio of loan funds, a 10-week training program for new and expanding businesses, and the initiation of coworking spaces, including the existing hotDesks in Easton, and planned locations in Berlin, Cambridge, Chestertown, Denton, Easton, Kent Island and Princess Anne.

Maryland Capital Enterprises (MCE) – MCE provides small business loans to businesses located in its service area, which includes Queen Anne’s County. Start-up for-profit business owners with 10 or less employees are eligible, and must have attempted to receive a loan through a traditional lender or a bank that is located within MCE’s Service Area. Candidates must have a clearly established business idea and business plan and ability to create full-time, part-time employment for low-to moderate income residents. Loans are for any amount from \$5,000 to \$35,000 for up to ten years.

State of Maryland Department of Business and Economic Development (DBED) - DBED is the State of Maryland chief economic development agency. DBED offers small business assistance, funding, business relocation services and tourism promotion. DBED’s employs a Regional Growth and Retention team that is based geographically to assist businesses with access to DBED’s programs and services. Business development representatives assist with a broad range of business needs, from identifying sources of funding, customer/supplier connections and networking, to accessing DBED programs and resources, workforce and technical resources.

B. INFRASTRUCTURE

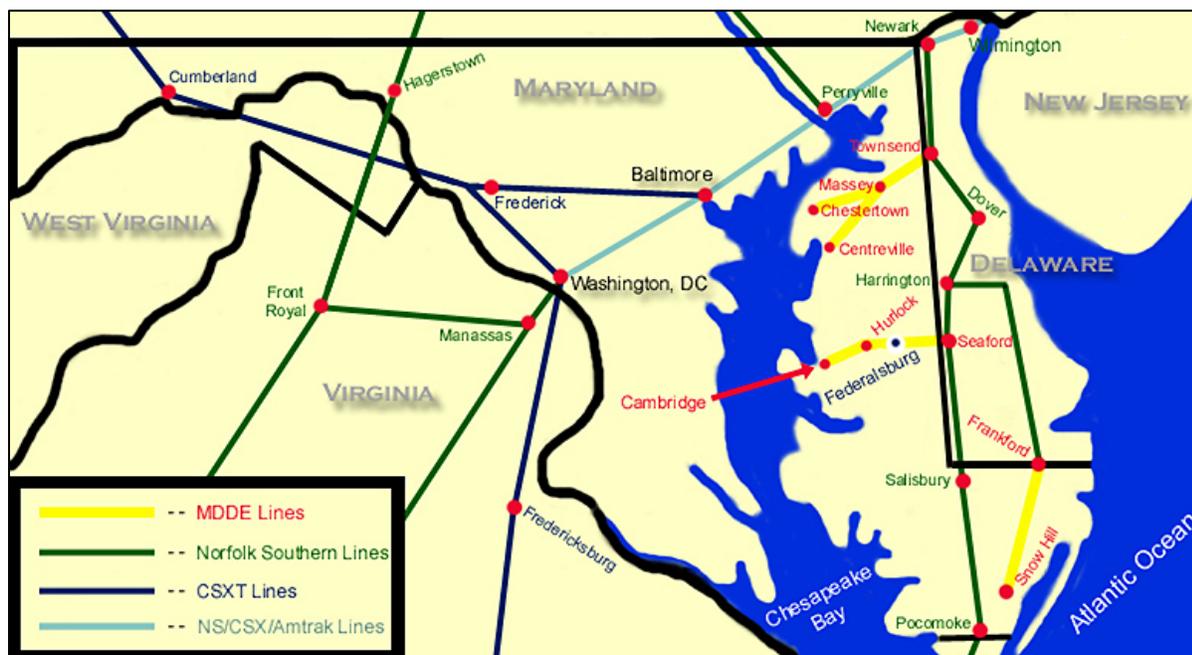
1. Transportation and Access

Highway - U.S. Route 301 is four-lane divided highway running north and south within one mile of Centreville’s town limit. U.S. Route 301 joins and overlaps U.S. Route 50 approximately six miles west of Centreville. U.S. 50/U.S. 301 eventually accesses Interstate 97 that goes north to Baltimore, and I-495 and I-95, near Washington, D.C. Interstate 95 is the major north/south highway of the eastern seaboard. The average estimated daily traffic count for the section of U.S. Route 301 between MD 213 and MD 304 is 18,700.

The planned construction of an interchange that will include a new MD 304 bridge over U.S. 301 which is intended to enhance safety and improve access to Centreville.

Rail - Centreville is served by the Maryland and Delaware Railroad (MDRR), which terminates near the 301/304 interchange. The MDRR line ties into the Norfolk Southern system in New Castle County, Delaware, which serves the Port of Wilmington to the north and the Hampton Roads, Virginia area to the south (Figure 4-5).

Figure 4-6: Maryland Rail System



Source: Maryland & Delaware Railroad Company 2015

Airport - The closest regional general aviation airport is Bay Bridge on Kent Island, approximately 16 miles to the west, off of U.S. Route 50. The closest commercial airport is BWI-Thurgood Marshall International, which is 51 miles from Centreville.

2. Water and Sewer

The Town's Department of Public Works provides water and sewer service in Centreville. Public Works estimates that the development of infill sites within the Town's current limits (including proposed projects in the development pipeline) would bring wastewater treatment to near capacity, although this has not been formally documented. Once 80% of capacity is reached, law dictates the initiation of the planning process for expansion. The existing treatment plant has been designed to treat 750,000 gallons per day (gpd), but is permitted to process only 542,000 gpd. The treatment plant can be officially re-rated to 750,000 gpd if provisions are made for disposal.

Average daily outputs from the wastewater treatment plant have ranged between 63% and 66% from 2012 through 2014. The Town's Sewer Capacity Management Plan uses these averages as benchmarks and projects future capacity based on proposed and potential development within the Town limits. The town continually evaluates its position and considers different paths forward to plan for future growth. The long-term capital budget for the Enterprise Fund anticipates capital improvements that will be necessary to maintain the system's capacity and efficiency as new development is brought on line.

Annexation of designated growth areas outside of the current Town limits may require significant new wastewater treatment capacity upgrades. With regard to water, the County has deeded an acre to the Town near the 301/304 interchange for a future water tower. However, an assessment of Centreville's current build-out capacity suggests that capacity will be adequate to serve pipeline development in the near- to mid-term.

3. Broadband Service

The National Telecommunications Information Administration defines broadband service availability as "available" to an end user at an address if a broadband service provider does, or could, within a typical service interval (7 to 10 business days), without an extraordinary commitment of resources, provision two-way data transmission to and from the Internet with advertised speeds of at least 768 kilobits per second (kbps) downstream and at least 200 kbps upstream to the end user at the address. End users are defined as a residential or business party, institution or state or local government entity, including a Community Anchor Institution, that may use broadband service for its own purposes and that does not resell such service to other entities or incorporate such service into retail Internet-access services. Internet Service Providers (ISPs) are not "end users" for this purpose. Community Anchor Institutions are defined as schools, libraries, medical and healthcare providers, public safety entities, community colleges, and other institutions of higher education, and other community support organizations and entities. There are seven Community Anchor Institutions served by broadband in Centreville. A fiber optic trunk line runs north/south through Centreville along MD Route 213.

Residents and businesses in Centreville have good broadband availability and a number of service providers to choose from, depending on their needs. Broadband service providers in Centreville include:

- AT&T Mobile Wireless
- Atlantic Broadband Cable Modem
- Verizon Wireless Mobile Wireless
- Sprint Mobile Wireless
- Verizon DSL
- Exede (ViaSat) Satellite
- Hughes Satellite

C. WORKFORCE CHARACTERISTICS

The availability of a skilled workforce is an important determinant with regard to where businesses decide to locate. The Maryland Department of Labor, Licensing and Regulation (DLLR) provides workforce information for Workforce Investment Areas (WIA), which are geographical divisions which may comprise one or more counties. For the purposes of this analysis, data was obtained for the Upper Shore WIA, which includes Caroline, Dorchester, Kent, Queen Anne’s, and Talbot Counties. The workforce characteristics examined in this section apply to residents in the WIA without regard to where they are employed.

The WIA contains a lower proportion of age 30 to 54 workers than the state, at 54% compared to 56%, and a higher proportion of age 55-plus workers, at 24% compared to 21%. Annual earnings are considerably less than the state, with higher proportions in the \$40,000-and-less ranges, and a lower proportion in the more-than-\$40,000 range, at 24% compared to 48% for the state. Educational attainment of bachelor’s degree or higher was 22% in the WIA compared to 27% in the state (Table 4-1). This highlights Centreville’s relative prosperity and higher educational achievement among its peer jurisdictions within the region.

Queen Anne’s County had the lowest unemployment rate within the WIA in March, 2015 at 5.1%, compared to 5.9% in Talbot, 6.3% in Caroline, 6.4% in Kent, and 8.5% in Dorchester. This is likely due to the relatively short commute to employment nodes on the western shore that Queen Anne’s County residents enjoy.

Table 4-1
Resident Workforce Characteristics
Upper Shore Workforce Investment Area 2011

	WIA		State
	Count	Share	Share
Total All Jobs	77,972	100%	100%
JOBS BY WORKER AGE			
Age 29 or younger	17,544	22%	23%
Age 30 to 54	41,800	54%	56%
Age 55 and older	18,628	24%	21%
JOBS BY ANNUAL EARNINGS			
\$15,000 or less	19,685	25%	21%
\$15,000 to \$40,000	41,800	54%	31%
More than \$40,000	18,628	24%	48%
WORKER EDUCATIONAL ATTAINMENT			
Less than high school	6,645	9%	9%
High school, no college	17,612	23%	19%
Associate degree or some college	19,260	25%	23%
Bachelor's or advanced degree	16,911	22%	27%
Information not available	17,544	23%	23%
JOBS BY WORKER SEX			
Male	37,390	48%	48%
Female	40,582	52%	52%

Source: US Census 2015

While outside the employed labor pool, the growing retirement-aged population also provides an opportunity for job creation and industry growth. National trends indicate that the Baby Boomer cohort is more inclined to explore entrepreneurship or work on a part-time basis in their “retirement.”

In either case, it is a potential pool of labor to be harnessed and a substantial resource for entrepreneurial development and mentoring.

An examination of the employment by industry sector of Upper Shore WIA residents provides some indication of the distribution and diversity of skills available in the labor force. In 2011, blue collar industry sectors employed an estimated 18% of the labor force. The largest single industry sector was *manufacturing*, with 5,640 employed, followed closely by *construction* with just over 5,000 employed. *Transportation and warehousing* was the third largest sector with 2,394 employed.

The white collar sectors are dominated by workers in the *healthcare* industry, with approximately 10,700 workers. *Retail trade* and *accommodations and food services* were second and third in private sector employment, with approximately 9,900 and 7,200 employed, respectively. A relatively high number of nearly 5,200 WIA residents were employed in the *professional, scientific, and technical services* sector, which typically requires high skill levels (Table 4-2).

In 2010, DLLR estimated that 48% of the WIA residents were employed in the Upper Shore, and another 12% commuted to jobs in Anne Arundel County. The high proportion of out-commuters indicates that potential exists to capture additional jobs that are “leaking” from the local economic base.

Table 4-2
Resident Employment Characteristics
Upper Shore Workforce Investment Area 2011

	Count	Share
Total All Jobs	77,972	100%
Agriculture, forestry, fishing & hunting	864	
Mining, oil and gas extraction	60	
Utilities	326	
Construction	5,079	
Manufacturing	5,640	
Transportation and warehousing	2,394	
Total Blue Collar Workforce	14,363	18%
Wholesale trade	3,433	
Retail trade	9,922	
Information	1,143	
Finance & insurance	2,338	
Real estate & rental & leasing	1,080	
Professional, scientific & technical services	5,163	
Management of companies & enterprises	674	
Admin. & support, waste management	3,537	
Educational services	7,483	
Health care & social assistance	10,691	
Arts, entertainment & recreation	1,404	
Accommodation & food services	7,210	
Other services	3,142	
Public Administration	6,389	
Total White Collar Workforce	63,609	82%

Source: US Census 2015

D. QUALITY OF LIFE

The quality of life analysis examines the qualitative aspects of economic development. It is important to understand the criteria that companies look for when deciding where to locate. This analysis focuses on the top four recurring quality of life factors reported in the past five annual surveys of site selection decision makers by Area Development Magazine.

1. Crime

A low crime rate was ranked as the top quality of life criteria. As shown in Table 4-3, both Queen Anne's County's violent crime and property crime rates are lower than the state. During the five-year analysis period, total crime in the county peaked in 2011 and dropped to its second lowest level since 2009, according to statistics compiled by the Governor's Office of Crime Control & Prevention (Table 4-3).

Table 4-3
Crime Statistics 2009-2013
Queen Anne's County

	2009	2010	2011	2012	2013 Rate*	
					County	State
Violent Crime	243.3	244.8	308.8	190.5	237.1	467.5
Property Crime	1,906.9	2,003.1	1,968.9	1,681.7	1,726.9	2,659.9
Total	2,150.2	2,247.9	2,277.7	1,872.2	1,964.0	3,127.4

*Per 100,000 residents

Source: MD Governor's Office of Crime Control & Prevention

2. Healthcare Facilities

Centreville is fairly well served from a healthcare perspective relative to the availability and accessibility of hospital facilities. There are three hospitals within a 20-mile drive and a fourth major hospital, Anne Arundel Medical Center, within a 30-mile drive. The closest acute care facility is the University of Maryland's Shore Health System's Queenstown Emergency Center with 14 beds, eight miles from Centreville. Centreville should be considered as providing area businesses and residents with good access to quality healthcare, a consistently important quality of life factor as cited in the site location factors survey (Table 4-4).

Table 4-4
Regional Acute Care Hospital Facilities

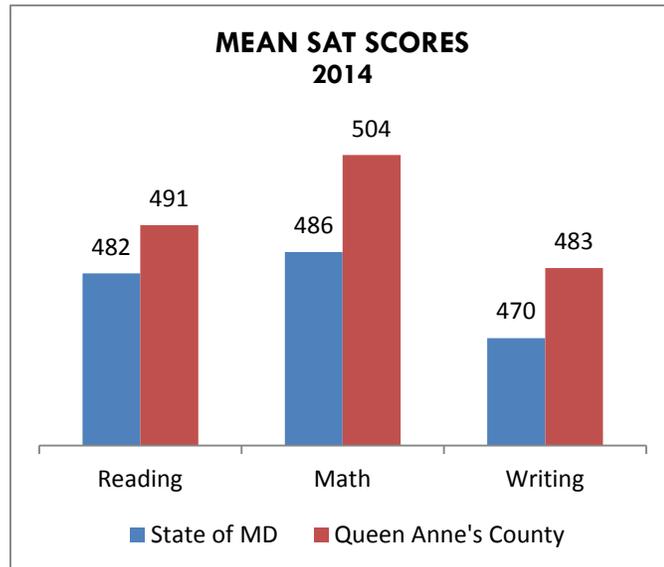
Hospital	County	City	Staffed Beds	Emergency Services
UM Shore Emergency Center	Queen Anne's	Queenstown	14	Yes
Chester River Hospital Center	Kent	Chestertown	64	Yes
Memorial Hospital	Talbot	Easton	183	Yes
Anne Arundel Medical Center	Anne Arundel	Annapolis	317	Yes

Source: Hospitals-Data.com

3. Ratings of Public Schools

A good public school system can play a significant role in providing a solid foundation for a community's economic development program. The K-12 education is important for training students in the basic skill sets required by employers for entry-level and semi-skilled positions. Maintaining high academic standards and rankings for the county's school district are also important as a community attribute since they are likely to be a job-acceptance factor for potential employees considering relocation from outside the county. The ratings of the local public school system is also a consideration of executive decisions to locate and/or expand to a jurisdiction.

Figure 4-7



Source: MD State Dept. of Education 2015

There are many factors that contribute to achieving good school system results which are difficult to capture in a single metric. One indicator that is often used is standardized test scores since they allow comparability with other school districts. Figure 4-7 illustrates a comparison of recent Scholastic Aptitude Test (SAT) results for public schools in Queen Anne's County and the State of Maryland as a whole. In 2014, the county's mean SAT scores exceeded those of the state in all three educational disciplines: reading, math and writing.

4. Housing Costs

Housing costs consistently rank as an important quality of life criterion in the site selection survey. From a statewide perspective Centreville's housing prices are relatively expensive with a 2012 median owner occupied home value of approximately \$354,900 compared to \$292,700 and \$176,700 in the state and nation, respectively. By comparison, the county's median owner occupied home value is slightly higher than the town's at \$356,800.

Figure 4-8



Approximately 25% (369) of occupied housing units in Centreville are rented. Median contract rent in Centreville in 2012 was a veritable bargain at \$711, compared to \$1,064 in the county and \$1,196 in the state. As the Town of Centreville annexes designated Growth Areas (Section F) in the future, consideration should be given to the provision of multi-family development to provide more diverse housing opportunities than now exist.

E. AMENITIES

Although Centreville is located within short driving distance of tourist and visitor's destinations such as Kent Island and Chestertown, it does not currently possess the critical mass of attractions or the infrastructure that characterize leisure destinations. Nonetheless, it has the potential to capture a larger share of leisure visitors to the Eastern Shore, and very attractive amenities for its resident and daytime populations that contribute to its overall quality of life.

1. Pedestrian Friendly Historic Downtown

Historic Downtown Centreville offers a pedestrian friendly traditional downtown, complete with restaurants, shops, and the Courthouse Square, which is fronted by many of the town's historic buildings. The downtown area serves as the center of the Queen Anne's County Seat, and boasts a variety of professional and personal service businesses. The downtown is within easy walking distance of government offices, private businesses, and residential neighborhoods.

Figure 4-9



2. Wharf Area

The Wharf Area covers over two acres at the start of the Corsica River, comprising an office building and warehouse, and the Queen Anne's County Landing. The Queen Anne's County Landing features a boat ramp and a small number of slips. Town assets include a boardwalk with fishing decks, additional slips, a small park with a playground, and a parking area that is split between the Town and County. While the Centreville Wharf serves as an attractive amenity to residents, its use as a venue for events is constrained by its limited area and parking, as well as occasional high water issues.

Figure 4-10

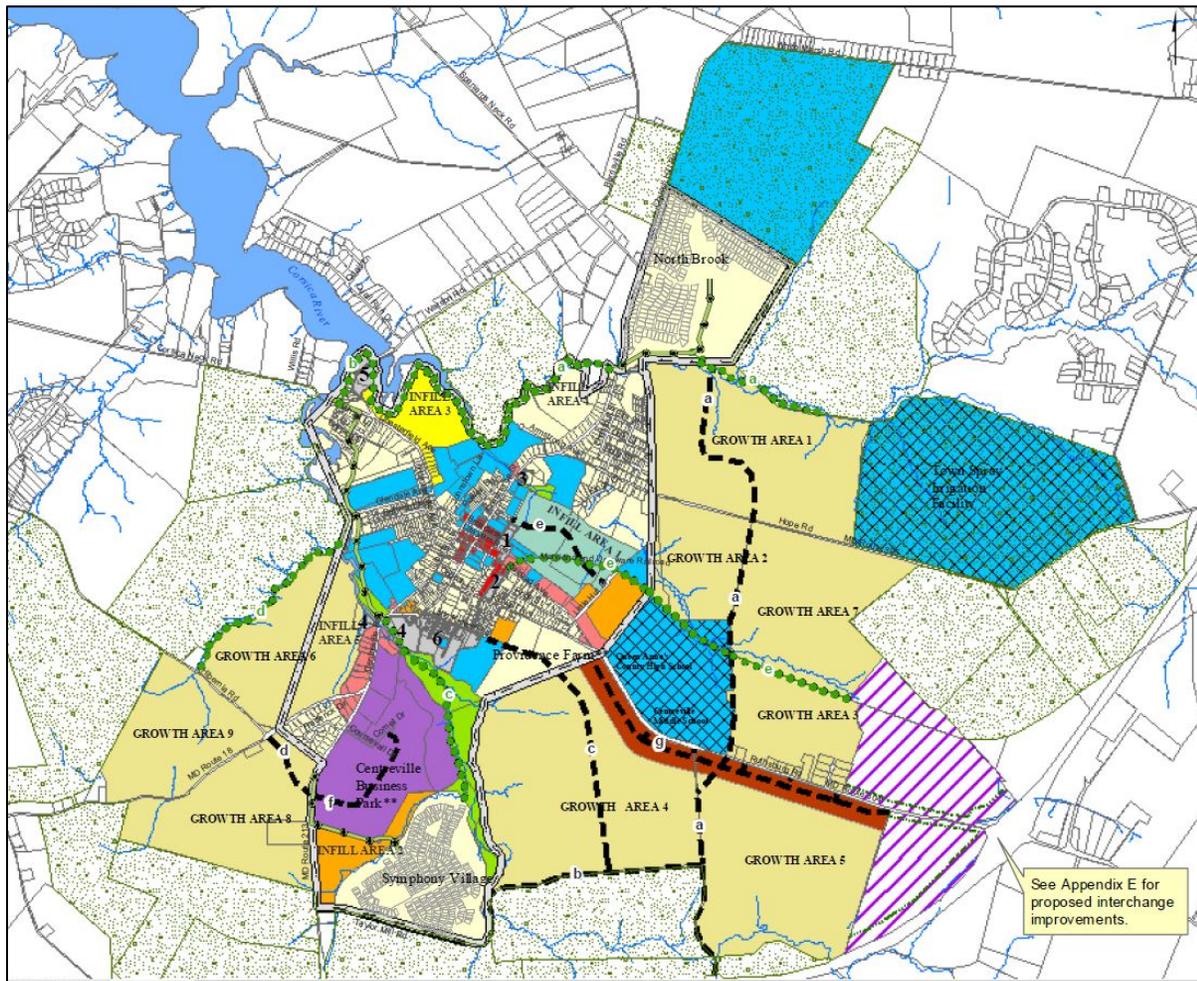


F. CAPACITY TO GROW

In 2009, the Town of Centreville, in collaboration with the Queen Anne's County Department of Land Use, Growth Management and Environment, prepared the Centreville Community Plan. The Centreville Community Plan establishes goals, objectives, and recommendations for the long-term growth management of the incorporated Town of Centreville and nearby unincorporated areas of Queen Anne's County. Centreville is one of six designated growth sub-areas in Queen Anne's County, where development is encouraged to concentrate in order to conserve rural and environmentally sensitive areas.

The Centreville Community Plan makes provisions for Growth Areas around Centreville to absorb future development and facilitate annexation into the Town for contiguous development wishing to take advantage of an extension of utilities. In order to encourage and direct future development into these growth areas, the Centreville Community Plan recommends various mechanisms such as higher densities and mixed use zoning in appropriate areas that will permit medium to high density housing, institutional uses, retail and service businesses under prescribed conditions. Figure 4-11 shows the future Town Growth Areas.

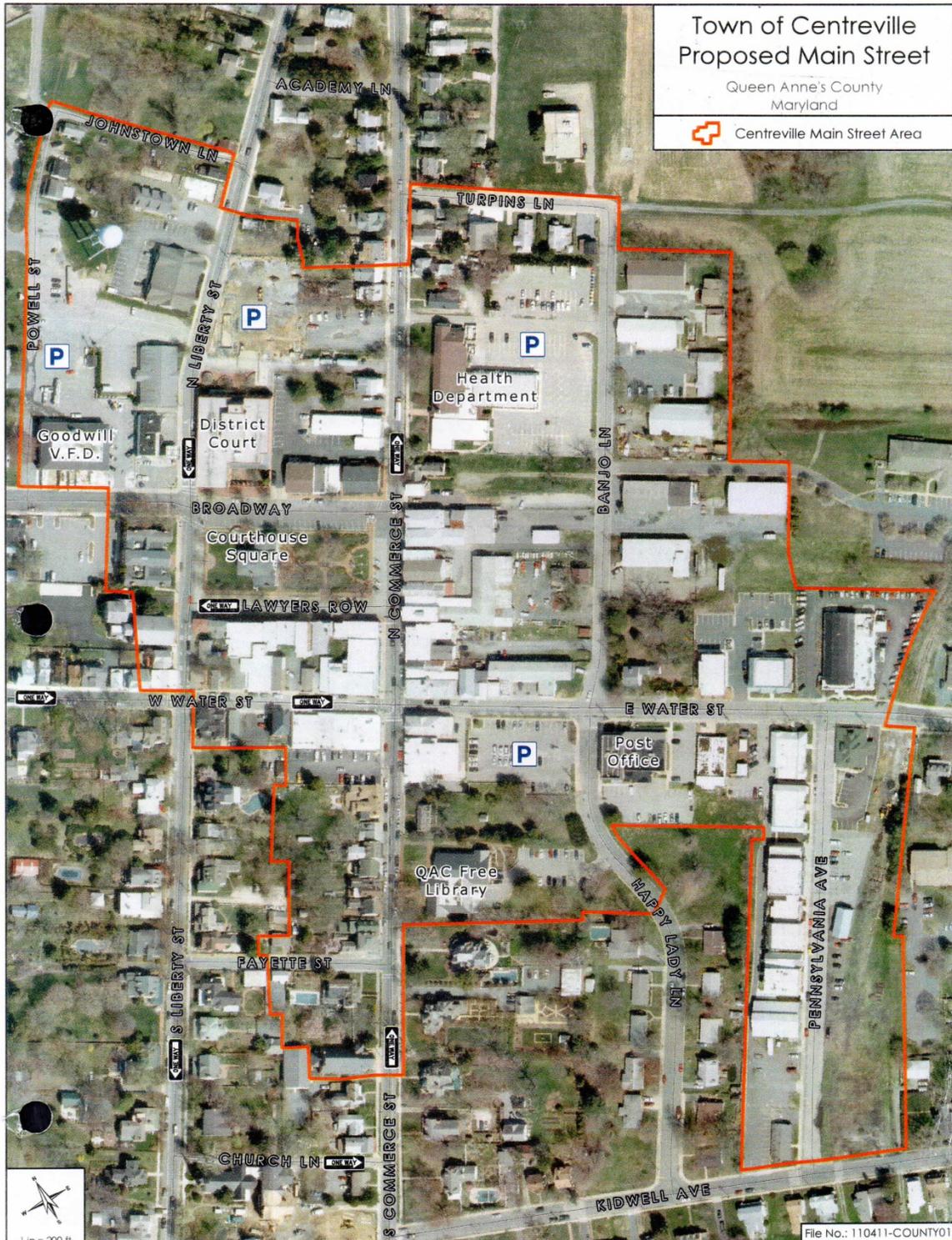
Figure 4-11



Source: 2009 Town of Centreville Community Plan

There are also infill opportunities within the Main Street District, including the Town owned parcel of land on the east side of Pennsylvania Avenue, and redevelopment opportunities on Banjo Lane, north of Broadway (Figure 4-12).

Figure 4-12



G. MARKET CONTEXT

1. Office/Flex Space

The amount and duration of vacant office and flex space for lease in Centreville are indicative of its competitive position in the local marketplace. The town’s key competitor is the 85-acre Chesapeake Bay Business Park, which benefits from its relatively close proximity to Annapolis, and the overflow effect of businesses that wish to locate in that submarket. The Town of Centreville, and its secondary competitor Easton, must rely on their own merits as business locations.

An examination of space advertised for lease in May of 2015 shows 25,000 square feet of office available in Centreville, 17,000 square feet of which is in the Coursevall Building across from the Centreville Business Park. The 67,000 square feet of flex space is in one building in the Centreville Business Park. Flex space gets its name by having a flexible amount of office or showroom space in combination with manufacturing, laboratory, warehouse distribution, etc. It is generally constructed with little or no common areas, load-bearing floors, loading dock facilities and high ceilings, but can usually accommodate overhead doors.

**Table 4-5
 Employment Supporting Space for Lease**

Market	Office SF	Flex SF	Industrial SF
Centreville	25,000	67,000	0
Stevensville	15,000	106,350	158,670
Easton	28,500	35,052	82,749
Annapolis	484,962	32,728	21,000
TOTAL	553,462	241,130	262,419

Source: MD Dept. of Business & Economic Development

In the meantime, 15,000 square feet of office and 106,350 square feet of flex space are available in Stevensville, and 28,500 square feet of office and 35,052 square feet of flex space are available in Easton. Annapolis is shown for comparison purposes, where nearly 500,000 square feet of office is available (Table 4-5).

Discussions with real estate professionals in the course of the work program confirmed that the local market is very competitive with respect to lease rates and tenant concessions. For example, much of the office and flex inventory at the Chesapeake Bay Business Park predates comparable buildings in Centreville by as much as 30 years or more, giving property owners more flexibility in setting terms to attract new tenants.

2. Continuing Care Retirement Community (CCRC)

In July 2014, Emory Properties commissioned a Preliminary Market Analysis for an assisted living facility at the Centreville Business Park, prepared by Real Property Research Group (RPRG). The study concluded that Centreville could comfortably support the development of a private pay assisted living community of between 30 and 40 units, and that the site is a suitable location for that type of product. RKG Associates has reviewed the study as part of its work program, and found the methodology sound and concurs with the conclusions.

A more detailed analysis of age characteristics conducted by RKG for a three county area reinforces the findings of the RPRG analysis, and indeed suggests that demand will steadily increase. From 2000 to 2013 in Queen Anne’s County, the 85-plus CCRC candidate age cohort increased by 111%, from 391 to 826, and the 65-plus CCRC feeder cohort increased by 47%, from 5,175 to 7,596. When Kent, Talbot, and Caroline Counties are factored into the equation, the 85-plus CCRC candidate age cohort increased from 2,210 to 3,294 (49%) during the same period, and the 65-plus CCRC feeder cohort increased from 19,821 to 26,004 (32%).

The Eastern Shore has been a popular retirement destination in recent years, attracting residents with its slower pace, moderate weather, numerous amenities and overall quality of life. The general trend within both the county and regional population is one towards an older demographic. In 2014, persons aged 65 years and older comprised approximately 17% of the population in the count, compared to 14% in the state overall. This has positive implications for potential development and future expansion of a CCRC in Centreville.

H. SUMMARY OF ASSETS, CHALLENGES AND OPPORTUNITIES

1. Assets

- Available buildings and land that can readily accommodate a variety of non-retail businesses.
- Local, regional, and state economic development resources.
- Excellent highway access to major markets, future rail access (limited).
- Available utilities capacity: water, sewer, broadband.
- Excellent quality of life.
- Designated county growth area.
- Centreville Economic Development Authority.
- Designated Main Street.
- Town is within a designated Heritage Area and located on a National Scenic Highway Route.

2. Challenges

- Distance from major markets.
- Weak position in a regional tourism/visitation economy.
- Relative competitive disadvantage in office/flex market.
- Visitor's support infrastructure lacks lodging.
- Younger, white collar workforce is trending to urban areas.

3. Opportunities

- New county economic development regime.
- Commitments to proactive economic development efforts on the part of Town and County.
- Economic development plan.
- Opportunity areas that can be planned to facilitate economic development.
- Publicly owned real estate assets that can be leveraged to fund economic development initiatives.
- Provisions for new growth areas in Centreville Community Plan.
 - Can accommodate new housing opportunities.
 - Can accommodate employment supporting uses.

5 IMPLEMENTATION PLAN

A. INTRODUCTION

The Town of Centreville administration recognizes that a strategic plan for economic development is a critical component to improve the quality of life for the Town's residents. The competitive landscape necessitates that Centreville take a more proactive approach with its own business and economic development initiatives, and otherwise develop a plan to help ensure its future economic prosperity. The first step in this process was to form the Centreville Economic Development Authority (CEDA), an assemblage of representatives from the business community, real estate professionals, elected officials, and public sector administrators. The next step was to initiate the preparation of the plan contained herein.

Successful implementation of a comprehensive economic development strategy is a complex effort that requires coordination and cooperation from a number of stakeholders. An effective implementation plan will require the material assistance of the County, as well as cooperation from workforce and education providers, local businesses, financial institutions, community leaders, and regional and state partners, to name a few. The following plan incorporates short-, medium-, and long-term initiatives that will enable the Town and County to take immediate action on certain tasks as well as take initial steps in the planning for long-term projects.

B. ECONOMIC DEVELOPMENT INITIATIVES

The following action items are considered to be a "priority" for economic development implementation in Centreville. Both RKG Associates and CEDA believe these action items are the core competencies necessary to create a viable, effective economic development effort. While the actions identified and detailed in the implementation plan are necessary to meet the full vision for economic development in the town, their implementation are considered to be subject to available resources. Numeric sequence does not denote a higher or lower priority, and the implementation action plan should maintain sufficient flexibility to respond to market dynamics and the circumstances at hand. That said, CEDA, in full partnership and cooperation with Queen Anne's County Department of Economic Development (QACDED), should have the final decision on the approach and focus of economic development within the Town in collaboration with the Town Council.

1. Organization and Coordination

Preferred Option: Queen Anne's County Economic Development Implements Initiatives – The QACDED and Economic Development Commission (EDC) have emphatically expressed a renewed commitment to Centreville's future economic development endeavors. Indeed, the QACDED makes no distinction between incorporated and non-incorporated areas of the county, and both QACDED and the EDC consider Centreville a focus area for future job creation and retention in the county. For a community the size and scale of Centreville, an effective implementation plan will require substantial resources and technical expertise to execute. It is recommended therefore that QACDED serve as the Town's lead implementation entity to carry out initiatives and activities associated with economic development in the Town of Centreville.

On Centreville's behalf, QACEDC should have the following key responsibilities:

- Provide guidance to individuals and companies to establish, relocate, or expand their businesses within the Town.
- Coordinate and execute the Town's economic development initiatives; manage contracted vendors for special projects.
- Serve on the CEDA Board and regularly attend scheduled CEDA meetings to report progress, advise on budgeting, and discuss issues related to the Town's economic development.
- Work with the Town and CEDA to administer business incentives and retention strategies; develop, negotiate, and administer economic incentive agreements with companies that induce the creation of jobs and investment within Centreville.
- Work closely with CEDA to identify and work through issues associated with the promotion of business location and expansion within the Town.
- Serve as an ombudsman to represent the Town's economic development interests and to facilitate the permitting process for targeted projects.
- Maintain an up to date inventory of available office and flex space in Centreville and include on the QACDED website.
- Provide advisory services on budgeting for economic development initiatives, including the Centreville Main Street Program.

In addition to the responsibilities of the QACDED outlined above, the Town of Centreville should request a seat on the EDC in order to maintain active lines of communication and remain informed of the County's latest initiatives and efforts to foster economic development in Centreville and elsewhere in the County.

The Centreville Main Street program appropriately belongs under the aegis of an overall economic development strategy, which is consistent with economic development best practices. Centreville's downtown revitalization and sustainability is one key element to a strategic effort that will involve other significant undertakings, such as the tenanting of vacant space in the Centreville Business Park and the development of key opportunity sites. Funding directed towards marketing and branding, for example, should be strategically targeted to provide the maximum benefit to greater Centreville.

Later Phase Alternative Option: Create an Economic Development Manager's Position – The Town of Centreville's Economic Development Plan and associated implementation represents the first organized and coordinated town-wide economic development effort undertaken. Even with a renewed commitment from the County with a particular focus on Centreville, market realities will remain a strong determinant of success in the years to come. In consideration of this, a reasonable period of three years should be allotted before the program's success is evaluated and any significant course changes are considered. In this relatively short period success should be measured more by how the plan is executed rather than tangible results which will only be realized through the efforts of a host of stakeholders and beneficiaries.

At this juncture in the economic development program, the QACDED, CEDA, and the Town may reach a consensus that the dedicated efforts of a business development professional on a part-time basis may be appropriate to assist and enhance QACDED efforts on behalf of the Town. The Economic Development Manager's work should be performed under the direction of the Town Manager and Town Council and reviewed by CEDA through conferences, reports, and observation of results obtained.

The Economic Development Manager should have the following key responsibilities:

- Act as liaison between the Town government, CEDA, and the County Economic Development Office to ensure the Town's interests are represented in the County's economic development activities and allocation of resources.

- Provide Centreville leadership in the area of economic development with active service on boards, committees and working groups of local economic development organizations such as the Queen Anne's County Economic Development Commission and the Chamber.
- Establish and maintain professional relationships with strategic implementation partners such as the Maryland Department of Business and Economic Development (DBED) and the Maryland Eastern Region Small Business Development Center (SBDC).
- Supervise the Centreville Main Street Program. Day to day management of the program would still fall under the Main Street Manager.

2. Business Development Initiatives

Market and Promote the Centreville Business Park for an Assisted Living Facility or Continuing Care Retirement Community (CCRC) – In July 2014, Emory Properties commissioned a Preliminary Market Analysis for an assisted living facility at the Centreville Business Park, prepared by Real Property Research Group (RPRG). The study concluded that Centreville could comfortably support the development of a private pay assisted living community of between 30 and 40 units, and that the site is a suitable location for that type of product.

The Economic Development Manager could directly market and promote the site to Assisted Living/CCRC companies, using the RPRG report as marketing collateral (with permission of the report's owner, Emory Properties). Assisted Living/CCRC companies can be easily identified through contact with organizations and associations such as the Assisted Living Federation of America (AIFA) and the National Investment Center for Seniors Housing and Care (NIC).

Create a Business Incubator in Partnership with the County – Queen Anne's County Economic Development has expressed its interest in creating a business incubator as an economic development initiative. As the county seat, and possessing available space suitable for accommodating an array of business types, Centreville should be the County's first choice for this endeavor. This creates the potential for a process where Centreville becomes a connection point by virtue of its physical space, bringing together investors (funding), mentors (business planning), and entrepreneurs (products and ideas) in creating opportunities for companies to grow and prosper in the town. The entrepreneurial program should be modeled after the National Business Incubation Association (NBIA) best practices approach and vetted through the an entrepreneurial advisory panel that includes representatives of CEDA, the county's Economic Development Commission, and others, as appropriate.

Concurrent to the program launch, a comprehensive outreach effort to potential partners (i.e. SBDC, potential investors, etc.) should be initiated to gauge interest and investment requirements. This is a critical component of the initiative, and likely will define the potential for program expansion. Seeking investors, partners, and funding sources simultaneously with identifying potential users will aid in the business planning process. Chesapeake Community College's Small Business Development Center could be a key ally in the effort to set up a functional program for nurturing entrepreneurship.

While the county will lead the creation of an entrepreneurial program, the time and resources necessary to run the program likely will require a partnership of several entities (public and/or private). It is recommended that a joint venture/PPP be created to spread the responsibility and the risk. Once the business incubator consortium is able to identify interest patterns from prospects, investors, and mentors, the staff will be better positioned to create a viable business plan. The business planning effort should solicit input from investor groups that express interest during the outreach phase.

Create a Business Development Node through a Co-Work Arrangement – Centreville should proactively improve its position in the local business environment through actions that differentiate it from the competition for office and flex tenants in Kent Island and Easton. This can be accomplished

through a public or public/private initiative to create and operate co-work space, which is a shared working space accommodating independent activity. This effort can build on the business incubator initiative, using the momentum created to retain businesses in Centreville that have graduated from the incubation stage.

Co-work space typically appeals to like-minded entrepreneurs, start-ups, and small businesses, and offers dedicated desk space with shared meeting rooms. Co-working space differs from incubators and executive suites in that it encourages collaboration between people who are working independently but would otherwise be working in relative isolation. Amenities such as shared reception, shared cost centers (i.e. phone, internet, publishing, marketing) add value.

Since the pure appeal of available co-work space is probably not sufficient in and of itself to attract tenants, some incentives will be necessary to enhance its attractiveness to potential tenants. By its nature, co-work space is a value alternative to conventional work space, but may not necessarily fit in with the business models of private property owners. In the event co-work space is developed as a public/private partnership, the Town of Centreville could offer property tax abatements to landlords to compensate for the discount rents, and/or otherwise contribute capital for tenant improvements.

Potential tenants for co-work space (and other available space in Centreville) can be identified through communication and outreach with business support organizations such as the SBDC, SCORE, MCE, and the Eastern Shore Entrepreneurship Center. These organizations interact with local small businesses and entrepreneurs on a daily basis, and often receive inquiries on the locations of available space from their clients.

The long term objective of the co-work space initiative is to create a foothold for entrepreneurial businesses in Centreville. The findings of numerous studies have concluded that successful homegrown businesses are the most likely to maintain their roots in a community. While transplanted firms remain important to local, regional, and state economies, the local focus should be spurring innovation and nurturing the growth of new, homegrown enterprises.

3. Opportunity Areas Strategies

Centreville Business Park and Coursevall Building - The Centreville Business Park and the Coursevall Building at 2977 4H Park Road represent significant private sector investments and vital economic development assets for Centreville, comprising a total of 25,000 square feet of available office space between them and 67,000 square feet of flex space in a single building. By itself, the office space could accommodate an estimated 100 workers. In addition, there are 45 development ready acres in the Centreville Business Park that would be suitable

The co-work space initiative could physically locate in this opportunity area, and would hopefully spawn expanding businesses that choose to remain in Centreville over time. Nonetheless, the available space should be aggressively marketed to potential tenants with substantial assistance from the Queen Anne's County Economic Development Office.

Downtown - Downtowns are the traditional focal point in most communities, and are a source of identity to most residents. Centreville's downtown is an optimum location to serve as the main activity center, potentially offering shopping, dining and entertainment opportunities for its residents and visitors.

The Centreville Main Street Market Analysis contains recommendations for creating a more vital and vibrant downtown that is more appealing to residents and visitors. Specific recommendations include recruiting more food & beverage establishments and boutique retail, hosting events for the public, and developing more residential density.

Whereas restaurant and retail attraction activities clearly fall within the purview of the Main Street Manager, mixed use development opportunities exist that will require specific expertise in economic and real estate development. The consultant recommends that the following downtown opportunity sites undergo strategic planning to optimize the value of their real estate assets and ensure their future adheres to the community's overarching vision:

- Pennsylvania Avenue Site: — The Town of Centreville owns a parcel of land fronting Pennsylvania Avenue between East Water Street and Kidwell Avenue, within three blocks of Courthouse Square. This desirable piece of real estate has the potential for mixed use development that could accommodate both residential and employment supporting uses. It is important that the Town take control of the predevelopment process so they will have the ability to conduct future negotiations with developers from a position of strength. One of the most common methods of controlling development is to first create a development strategy through a systematic and methodical process that establishes a public policy for the subject property. RKG recommends that the Town prepare a small area plan for the property that includes an evaluation of the potential for various land uses on the site before it moves forward with any developer solicitation activities. Proceeds from the eventual sale of the property could potentially be directed into an economic development incentive fund, similar to how the county seeded their own economic development incentive fund.
- FBI Annex Building (attached to Post Office) — The Federal Building at the corner of E. Water Street and Happy Lady Lane comprises a single story post office and a two story office building that is now vacant, but was formerly an FBI field office. The Town Council has already reached out to a Federal representative's office to inquire about the possibility of a lease or acquisition of the building by the Town. By controlling this key property, the Town can gain an important economic development asset that it can use to leverage economic development initiatives, such as the aforementioned co-work space.
- Vacant Properties Within the Main Street District — The draft Centreville, MD Main Street Market Analysis prepared in May 2015 identifies 17 vacant locations among 135 within Centreville's Main Street District. If the recruitment of more food & beverage and retail establishments is to be a key element to the Main Street plan, RKG Associates recommends that these properties be assessed and inventoried based on their individual characteristics and appropriateness to accommodate the proposed uses. The findings of this exercise will inform the identification of suitable retail properties and the amount of effort that may be required to re-tenant them.

County Complex/YMCA Residual Property – The probability exists that the County will seek to dispose of excess road frontage property that will come available during or after the development of its new complex on Ruthsburg Road (MD Rt. 304). In order to plot the course of future development and otherwise exert some control over how the property is developed in the future, the Town should draft the zoning of the property in advance of any public/private transfers.

U.S. Rt. 301/ MD Rt. 304 Interchange Area – The 2009 Centreville Community Plan (Plan) shows the area east of U.S Route 301 at the 301/304 intersection as a County Planned Business Park. The State of Maryland has committed \$52 million to construct an overpass/interchange at the intersection. Assuming that the Town of Centreville will eventually annex this area (shown in Figure 12 of the Plan), the Town should encourage the County to initiate the preparation of a Master Plan for the area that emphasizes the development of employment supporting uses. The area's transportation assets make it particularly suited for logistics operations, given the presence of a major U.S. highway and rail access. The area is served by the Maryland and Delaware Railroad, which ties into the Norfolk Southern system in New Castle County, Delaware, and serves the Port of Wilmington.

U.S. Rt. 301/ MD Rt. 213 Interchange Area – Also in the Plan, Figure 10, Existing Town and County Zoning Districts, shows a County designation of Light Industrial Highway Service (LIHS) zoning in the area around the 301/213 interchange. Figure 12 in the Plan implies the eventual annexation of the northwest and northeast quadrants of the interchange by the Town, with Greenbelt as the designated land use. The southwest and southeast quadrants are shown to remain in the County. It is recommended that the entire interchange area be considered for a future highway oriented commercial growth area, combining commercial uses with a greenbelt buffer to create an attractive gateway that beckons passersby to stop and linger in Centreville.

Due to their relative accessibility, highway interchanges are natural environments for land uses such as lodging, convenience retail, and food & beverage establishments. Although the market may not support all of these uses as viable at present, the Town should view this area as an opportunity site with the potential to capture tourist and visitor demand in the future. The current LIHS zoning should be maintained, and consideration should be given to eventually creating a master plan for the area that supports hospitality and tourism. A master plan will also present an opportunity for Centreville to create a unique place that stands out among the random and seemingly haphazard development that characterizes many interchanges.

4. Infrastructure Planning

The Town of Centreville's Department of Public Works manages and maintains the Town's infrastructure, including its water and sewer utility services. Public Works currently estimates that planned and potential build-out of real property within the Town limits will bring wastewater treatment capacity to the 90% level, 10% higher than the 80% threshold required to trigger planning for capital improvements to increase capacity. Although this assessment may be accurate, there is some question as to whether the documentation exists to verify the projected capacity estimates.

It is recommended that the Town continue with updating its assessment of capacity projections based on current development projects in the planning pipeline, and include reasonable development scenarios for undeveloped tracts such as the Pennsylvania Avenue property and the Turpin Farm. In addition, a build-out scenario for the undeveloped acreage in the Centreville Business Park that includes a 45-unit Continuing Care Facility should be factored in.

5. Target Industries

Manufacturing – Queen Anne's County's two largest manufacturing companies are Paul Reed Smith Guitars in Stevensville (250-499 employees) and Delmarva Sash and Door in Barclay (200-499 employees). The County's manufacturing base is more diverse than its two major employers would suggest, with medium and small companies across the manufacturing spectrum. An examination of 2013 County Business Patterns data for Queen Anne's County shows five companies employing 124 employees in fabricated metal manufacturing, and five companies employing over 100 employees in food manufacturing, to cite two examples.

The QACDED should, to the extent possible, work to ensure that existing businesses can attract and retain an adequate supply of labor, have sufficient infrastructure to grow their operations, and obtain available financial inducements. Promoting use of the MDDE rail line, which has access to the Port of Wilmington, Delaware could also help to attract and grow production facilities in Centreville.

Value Added Ag-Related Business – According to the 2012 USDA-NASS Census of Agriculture, Queen Anne's County ranked fifth out of 13 counties in the State for *vegetables, melons, potatoes and sweet potatoes* production. The 2013 U.S. Census County Business Patterns identifies a fruit and vegetable canning operation in Queen Anne's County employing between 20 and 50 workers, which appears to have been established in 2005 or 2006, showing the viability of value added agricultural production in Centreville. And although aquaculture is not identified in the Census of Agriculture as a

commodity group in the County, a seafood product preparation and packaging concern has been operating in the County since 2006, also employing between 20 and 50 workers. These examples show that value added production that capitalizes on farm production can be supported in the local economy and should be pursued and supported.

Health Care – Ambulatory health care services employed over 500 in the County in 2013. Of course, Shore Health is the County’s primary urgent care center, but the sector also includes private physicians, dentists, optometrists, etc., as well as nursing and residential care facilities. Corsica Hills Center is located in Centreville and offers short-stay nursing and rehabilitation services as well as traditional long term care and Alzheimer’s dementia care. The continuing care retirement community described in this section would include a nursing care facilities component.

Initial opportunities for growth in healthcare jobs are to work with existing providers to identify primary and specialty services currently not offered in Centreville or Queen Anne’s County. Another opportunity relates to the area’s retirement population. The growing senior population will increase the demand for continuing care facilities and medical services as they age in place. Along with increasing geriatric care, there may be other opportunities to expand specialized treatment facilities based on further strategic planning with area healthcare leaders.

Logistics – Although the transportation and warehousing sector dropped from 258 workers in 2004 to 210 in 2013, the 301/304 interchange area presents Centreville with the opportunity to plan a future logistics cluster. Since this area is served by both highway and rail with access to the Port of Wilmington, Delaware, value added production and shipping is also a viable target. Logistics often works hand in hand with production, and the presence of even a simple intermodal transfer facility (a crane that moves containers between trucks and rail cars) could induce the attraction of logistics, value added logistics, and value added production operations to this area.

6. Incentive Programs

The Town of Centreville could be in the position to offer both discretionary monetary and non-monetary incentives to attract and retain desirable businesses.

Real Property Tax Credit – Real property tax credits are used as monetary incentives to attract businesses to a specific jurisdiction. The County currently offers real property tax credits for certain businesses under specific requirements, based on enabling legislation enacted by the State of Maryland. These tax credits could be offered to businesses in Centreville, and the potential exists for Centreville to offer a similar program, although not specifically authorized under the current ordinance (§ 9-319(d) of the Tax Property Article, Annotated Code of Maryland). It is recommended that the Town’s attorney be consulted with regard to the applicability of the ordinance to a similar incentive

The Town and QACDED should remain alert to emerging ag-related technologies and the attendant potential for business creation, such as the work being undertaken by MidAtlantic Microbials (MAM). MAM, with offices in Centreville and a grant from Queen Anne’s County, is focused on the process of transitioning the large volume of chicken manure on the Eastern Shore (some 275,000 tons yearly) into a robust microbial rich compost and soil amendment. The challenges associated with the disposal of waste from the Eastern Shore’s significant poultry industry are well documented, and the MAM process holds promise for providing an environmentally sound way to manage the issue of waste disposal and fertilizer use while supporting one of Maryland’s most important industries. The success of an enterprise of this nature has significant implications for the Town, County, Eastern Shore, and the State of Maryland.

that could be offered by the Town, and would potentially piggy-back onto the County incentive. A description of the Queen Anne's County's real property tax credit program is as follows:

- To be eligible for the tax credit, a business must make significant real property improvements to a nonresidential structure that, when completed, increases the full fair market value of a property, as determined by the Department of Assessments and Taxation by at least \$25,000.
- A business may apply for the credit to the Department of Finance. The Department of Economic Development then evaluates the application under criteria established by it and recommends to the County Commissioners that the application be denied or approved.
- The business must establish to the satisfaction of the Department of Economic Development that it will create a minimum of 12 new full-time positions within 36 months of completion of construction.
- In each fiscal year following the fiscal year in which significant real property improvements are completed and assessed, a tax credit against the County property tax imposed on real property shall be granted in the following amounts:
 - 80% of the amount of the County property tax imposed on the increased assessment in the first taxable year;
 - 60% of the amount of the County property tax imposed on the increased assessment in the second taxable year;
 - 40% of the amount of the County property tax imposed on the increased assessment in the third taxable year;
 - 20% of the amount of the County property tax imposed on the increased assessment in the fourth taxable year;
 - 0% of the amount of the County property tax imposed on the increased assessment in the fifth taxable year and all taxable years after the fifth taxable year.

Water and Sewer Allocation Fee Waivers – The Town of Centreville currently charges allocation fees of \$5,097 for water and \$8,677 for sewer service by the meter, for a total of \$13,774. The town could, at its discretion, waive these fees in order to incentivize the development of desirable, employment supporting land uses. It is likely that the Town would actually reimburse the Public Works enterprise fund in the event these fees are waived, so the fiscal and economic benefits of a new business enterprise would have to be weighed against the municipal costs on a case by case basis to determine eligibility. An alternative to a fee waiver is an option to pay the fee in installments over a period of years, effectively easing front loaded capital costs for the investor.

Regulatory Streamlining - The development approval process is universally objectionable to the development community. In addition to the regulatory constraints, the process oftentimes is a long and arduous exercise. Agencies tasked with the development review process can often be inadvertently working at cross purposes to the town's economic development interests.

Many communities have successfully adopted streamlined development review processes for high impact, targeted industries that are relocating or expanding in their jurisdictions. These communities have taken extra steps to help ensure businesses have a first-rate experience when going through the development review/permitting process. Those municipalities have adopted cross agency streamlined permitting ordinances or resolutions, often have an online permit tracking system, and have designated a staff representative as a "concierge" to businesses who are going through the permitting process. A common denominator in most successful development streamlining programs is the development concierge, an individual focused on providing property owners and investors technical and process-oriented assistance when going through the Town's development process. Whether it is a rezoning or variance request, the concierge program is intended to assist applicants in effectively and efficiently finding a resolution.

7. Evaluation of Candidates for Incentives

Specific criteria dictate under what circumstances a business can qualify for a Queen Anne's County tax credit, and are likely to apply to a Town tax credit program as well. Under these circumstances, the Town can assist with County efforts to attract desirable businesses to Centreville, while adhering to the specific criteria for awarding the tax credit. However, if the Town decides to offer sewer and water allocation fees waivers as a business attraction inducements, they may want to exercise more latitude and impose less restrictions when awarding incentives.

Every U.S. state offers recruitment incentives, as do most local communities, often in direct competition with each other within the same region. Sewer and water allocation fee waivers can be used as a marketing tool or as a negotiation tool for completing a deal. In either case, the Town must quantify the costs and benefits of a given project, taking an investment approach to the use of the incentive. For Centreville, fiscal returns will come in the form of real property taxes which are imposed at a rate of 0.38 per \$100 of assessed value, which would yield \$38,000 annually for every \$10 million in net new real property assessed value. Based on combined sewer/water allocation fees of \$13,774 per meter, annual revenues of \$38,000 would cover the costs of 2.76 meters.

Businesses being courted to locate to Centreville should be evaluated on a case by case basis. For example, lodging generally offers relatively low paying jobs, but any new lodging product in Centreville would be of great benefit to the Town in terms of its ability to accommodate business and leisure travelers, as well as attract other land uses, such as restaurants. Suburban retail merchandising (outside of the Main Street District) however, is not a good candidate for incentives since it typically seeks its own natural habitat, and oftentimes substitutes one source of supply for another in a stable market. Therefore, business incentive candidates should be evaluated based on the following criteria:

- Dollar value of proposed real property improvements;
- Sustainability of business (business history, longevity, etc.);
- Project adheres to overarching economic development objectives for a specific area, for example:
 - Professional, technical, production, age in place services in the Centreville Business Park;
 - Warehouse & distribution, manufacturing in the 301/304 interchange area.

8. Course Tracking and Benchmarking

Economic development initiatives are typically tracked using both output and performance measures. Outputs comprise the activities associated with implementation efforts, such as contacts made, meetings held, trade shows attended, and other related activities. Outcomes comprise results such as new capital invested, jobs created, and businesses attracted and retained.

Since Centreville has just recently taken a proactive approach to its economic development, its first priority should be to track the economic development efforts conducted on its behalf, including the specific recommendations contained in this document. The representation of the County's economic development director on the CEDA board, and a CEDA representative on the EDC, will provide the opportunities for CEDA to stay apprised of implementation actions and other activities being undertaken by the EDC.

With regard to the tracking of performance measures, a longer term outlook and patience is advised while momentum is created through a renewed economic development effort. Many of the factors influencing outcomes will be beyond the control of economic development officials and stakeholders, but limited control is preferable to no control. While a deliberate and organized economic

development effort may not be solely responsible for capital investment, job creation and business attraction, it will have a role in influencing the results.

A sure sign of economic vitality is an increase in occupancies for existing office, retail, and industrial buildings, which is quantifiable outcome and typically goes hand in hand with job creation. Boosting the tax base is another key measurable outcome, and is a natural result of capital investment. As Centreville's economic development effort gains inertia and begins to yield tangible results, three key metrics can be tracked in order to evaluate progress:

- Increased occupancies in office, retail and industrial space;
- Jobs attracted/created/supported; and,
- Capital investment.

9. Ongoing CEDA Activities

The completion of this Economic Development Plan and a Market Analysis and Implementation Plan for the Centreville Main Street District, the Town is now in possession of a set of blueprints which will guide its economic development activities for the next five to ten years. As the official body tasked with the responsibilities of advancing economic development, CEDA will oversee the implementation of action items contained in the two documents, with assistance of the Town's Main Street Manager, the QACDED, and, possibly, a Town Economic Development Manager. Based on the findings and recommendations contained in the documents, CEDA has formally committed to undertake the following concurrent and sequential activities:

- Continue to track implementation efforts and call out measures of success and accountability;
- Conduct periodic reviews of real estate regulations and regulations regarding the formation and conduct of businesses to identify, and otherwise mitigate, unnecessary impediments to business development. This should include the review and evaluation of relevant external regulations in collaboration with County and State economic development agencies;
- Address how regulatory streamlining water and sewer allocation fee waivers can be most effectively implemented to attract desirable businesses;
- Maintain a proactive approach to plan for future water/ sewer capacity, particularly as critical masses of new development are brought on line;
- Inventory available business supporting building space and development ready land;
- Clarify and build consensus for intended land uses at the and U.S. Rt. 301/MD Rt. 304 and U.S. Rt. 301/MD Rt. 213 interchange and corridor areas to guide future master planning;
- Recommend pursuing school and workforce development training academy operations;
- Create and maintain a pride of place and build community buy-in for economic development and downtown revitalization initiatives;
- Call for creation of a comprehensive Town-wide marketing plan and brand identity;
- Encourage and support more improvements to Downtown properties;
- Develop and promote façade improvement tax incentives;
- Utilize more stringent code enforcement to proactively address blighted properties;
- Recommend low cost and near term financial and non-financial incentives to improve visual appeal;
- Explore and support the development of tourism experiences that capitalize on existing tourism and visitation on the Eastern Shore and the Town's cultural and natural assets.