

11 Economic Development

Many of the elements of the 2008 Comprehensive Plan relate to economic development in Garrett County. This chapter describes the County's overall economy, identifies economic trends, and lists the Comprehensive Plan's goal, policies, and implementation actions for economic development through 2030.

11.1 Goals and Objectives

Garrett County Economic Development (GCED) coordinates economic development policy for the County. Its strategic plan establishes overall economic development goals (see Section 11.2.4). This Comprehensive Plan both influences and is influenced by these goals, and sets the land use framework for economic development. The Comprehensive Plan's economic development goal is:

Ensure that adequate land and infrastructure are available to support economic development activities.

The objectives for achieving this goal are:

1. Designate appropriate amounts of land in appropriate locations as Employment Center and Commercial land classifications.
2. Ensure that water, sewer, and transportation infrastructure support existing and projected economic development.
3. Use land use policies to maintain the strength of the County's key industries—such as real estate, tourism, agriculture, and timber—and to diversify the County's employment base.

11.2 Overview

Like other parts of Western Maryland, Garrett County is transitioning from an economy based primarily on manufacturing, agriculture, and other resource-based industries. While these industries will continue to play an important role in the County's economy, the County's overall economic development goal is to move toward a more diverse, modern economy that takes advantage of the County's transportation system, its natural resources, its year-round beauty, and its workforce.

11.2.1 Employment

Table 11.1 shows the jobs in Garrett County in 2006. The trade, transportation, and utilities; government (primarily local government, including public education); education and health services; and leisure and hospitality sectors are the four largest job providers in the County.

The list of major private employers in Garrett County (Table 11.2 shows those with 100 or more employees) tells a slightly different story. Several of the County's largest employers are in the manufacturing and health care industries. In particular, the three large nursing homes are a reflection of the County's aging population. In 2006, 15 percent of the County's population was age 65 or older (compared to 11 percent statewide); this age group is expected to grow to 27 percent by approximately 2025.¹

¹ Source: Garrett County Economic Development Strategic Plan, 2002-8.

Table 11.1: Jobs in Garrett County, 2006

Sector	Full Time Employment, 2006	Share of Total
<i>Government</i>		
Federal	75	1%
State	219	2%
Local	1,463	12%
<i>Total Government</i>	<i>1,757</i>	<i>15%</i>
<i>Private Sector</i>		
Natural Resources and Mining	573	5%
Construction	1,141	10%
Manufacturing	918	8%
Trade, Transportation, and Utilities	2,460	21%
Information	137	1%
Financial Activities	507	4%
Professional and Business Services	781	7%
Education and Health Services	1,596	14%
Leisure and Hospitality	1,548	13%
Other Services/Unclassified	347	3%
<i>Total Private Sector</i>	<i>10,008</i>	<i>85%</i>
Total Non-Farm Employment	11,765	100%

Source: Maryland Department of Labor, Licensing, and Regulation (DLLR), 2006 Garrett County Fact Sheet

Table 11.2: Major Employers (Excluding County Government)

Employer/Firm	Employees	Product/Services
Garrett Industrial Supply/Pioneer Conveyor	350	Industrial supply services
Garrett County Memorial Hospital	335	Medical services
Wal-Mart of Maryland, Inc.	320	Retail sales
First United Bank & Trust	268	Banking and insurance
Beitzel Corporation	220	Metal fabrication
Recreational Industries/WISP Resort	175 ¹	Year-round resort
Flying Cross by Fechheimer	159	Uniform shirts/trousers
Goodwill Retirement Community	130	Short & long-term nursing care
Dennett Road Manor, Inc.	120	Short & long-term nursing care
Oakland Nursing & Rehab	120	Short & long-term nursing care
Appalachian Parent Assn.	115	Education/job services
Global Hardwoods/Wood Products	100	Kiln-dried hardwood lumber

1: Increases to 750-800 during ski season

Source: Garrett County Economic Development

The manufacturing industry in Garrett County reflects the County's low labor cost, proximity to markets, labor availability, and skill base. Although the manufacturing sector is smaller and more specialized than during America's manufacturing heyday, these characteristics of the County's economy continue to make manufacturing an important industry.

Other large employers, such as the Wisp Resort and Global Hardwoods, demonstrate the County's existing strengths in tourism and forest products (see Section 11.2.2 below).

11.2.2 Key Industry Sectors

This section describes some of the major components of the County's economy.

Real Estate

Real estate is also a major contributor to the County's fiscal health. In 2006, the County received more than \$28 million in taxes from residential real estate, approximately 45 percent of the \$62.7 million in overall revenue that the County received that year.² Given the Comprehensive Plan's projection of 4,050 new residential units and more than 3 million square feet of non-residential development by the year 2030 (see Tables 2.2 and 2.4), the real estate industry should continue to be a major component of the County's economy.

The links between real estate and other elements of the County's economy are also important. For example, demand for new homes directly generates activity (and jobs) in the construction, transportation, utilities, and manufacturing industries. The purchase and maintenance of a new home, in turn, spurs secondary activity in the retail and wholesale industries.³ The real estate industry in Garrett County is strongly tied to the County's tourist economy. As the popularity of vacation and recreation activities increases, so does the demand for seasonal and permanent homes, as well as businesses to serve new residents and visitors.

Tourism

Since the 19th century, Garrett County's abundant natural resources and transportation system have been the basis for a tourism economy. By the early 20th century, the County's scenery and railroad access from major cities allowed the cluster of resorts in Deer Park, Oakland, Mountain Lake Park, and Loch Lynn Heights to flourish. Major roads such as US 219, US 40, and I-68 soon spurred recreational and vacation amenities surrounding Deep Creek Lake (which was created in 1923). The Lake area is now home to the state's only ski resort, a recirculating whitewater course at Adventure Sports Center International (ASCI)—one of two such courses in America—and the County's largest concentration of restaurants, hotels, and other tourist-related establishments. The County's historic towns, state forests and parks, streams with national reputations for trout fishing, and whitewater resources (particularly the Youghiogheny and Savage Rivers) are also important elements of the tourist industry.



The recirculating whitewater course at Adventure Sports Center International on Marsh Mountain is a unique recreational resource. (Photo courtesy of ASCI)

² Source: Garrett County FY 2008 Budget.

³ Source: Garrett County Board of Realtors. 2007. *The Contribution of Real Estate to the Garrett County Economy*.

The Garrett County Chamber of Commerce estimates that 1.2 million tourists visited Garrett County in 2006, spending over \$136 million. Tourism employs approximately 18 percent of the County's workers, and contributes \$8.5 million in tax revenue, making it a critical element of the County's economy⁴ The strength of the tourist industry is reflected by the number of jobs in the retail, arts/entertainment, and lodging/food industries on Table 11.1.

Agriculture

Agriculture has been and will continue to be an important part of Garrett County's economy and lifestyle. A Resource-Based Industries study conducted for the Forum for Rural Maryland indicates that the agriculture industry accounts for more than 900 jobs in Garrett County (the jobs cited in this report are a composite across several of the industry sectors shown in Table 11.1, and are therefore not shown in that table).⁵ Table 11.3 summarizes basic data about Garrett County's agricultural industry. These data show a few key trends in Garrett County agriculture:

- Garrett County lost farms between 1997 and 2002, but the average farm size increased. The number of farms and the land in farms remains significant (almost 25 percent of the land in the County).
- The market value per farm of agricultural products remained steady between 1997 and 2002.
- Sales of agricultural products shifted away from livestock and toward crop production between 1997 and 2002.
- There was a small but notable shift toward fruit and vegetable production (the increased land dedicated to vegetable production and orchards). This may indicate a move toward more specialized agricultural products (one of the objectives of the County's *Economic Development Strategic Plan*, as described in Section 11.2.4, is the development of a berry industry in the County).



Agriculture is an important part of Garrett County's history, culture, and economy

⁴ Source: ACDS, LLC. 2007. *Feasibility Assessment, Garrett County Agribusiness Park.*

⁵ Source: Forum for Rural Maryland. *County-by County Economic Impact Estimates for Resource-Based Industries in the State of Maryland.*

Table 11.3: Agricultural Economy in Garrett County

	2002		1997		Change	
	Number	Acres	Number	Acres	Number	Acres
Farms	634	101,444 ¹	718	111,829	-84	-10,385
Average Farm Size (Acres)		160		156		4
Total Cropland		50,876		56,013		-5,137
Land in Vegetable Production		129		101		28
Land in Orchards		59		40		19
Market Values in 2002 Dollars of Agricultural Products Sold²						
All Agricultural Products		\$20,857,000		\$23,411,000		-\$2,554,000
All Crops		\$3,748,000		\$2,716,000		\$1,032,000
All Livestock, Poultry, Related Products		\$17,109,000		\$20,695,000		-\$3,586,000
Market Value (All Products) per Farm		\$32,897		\$32,607		\$290

1: The US Census reports the number of acres in farms, (including land in farms that is not suitable for agricultural activity), whereas MDP's Land Use/Land Cover dataset, used throughout this Comprehensive Plan (specifically, Tables 3.1 and 3.8) shows 89,142 acres--the acreage that is actually used for agricultural activity.

2: Based on 1997 Agricultural Census market values, converted using the Bureau of Labor Statistics Inflation Calculator (<http://www.bls.gov/>)

Source: 2002 Agricultural Census (U.S. Census Bureau). Data from the 2007 Agricultural Census were not available for the Comprehensive Plan.

Forestry

Garrett County has traditionally been one of Maryland's leading producers of saw timber. As shown in Chapter 3, forest land covers more than two thirds of the County's land area. The Forum for Rural Maryland's Resource-Based Industries study indicates that the forestry industry accounts for more than 600 jobs (across several industry sectors) in Garrett County. Nearly 300 forestry and wood products companies have operations in Garrett County,⁶ such as Global Hardwoods/Wood Products (Table 11.2) in Oakland, and the future American Woodmark facility in the Keyzers Ridge Business Park, indicate the continued strength of the forestry industry.

The most recent data on timberland collected by the US Department of Agriculture is from the *1999 Forest Statistics for Maryland*.⁷ According to these data, forest land covers nearly 298,000 acres of land (71 percent of the County). Timberland (forest land that grows at least 20 cubic feet of wood per acre per year) covers more than 285,000 acres (68 percent of the County).⁸ In 1999, the County had an estimated timberland standing crop of nearly 1.46 billion board-feet of sawtimber, with more than 62 percent of that land owned by non-industrial, private landowners. Assuming an average stumpage value of \$250 per 1,000 board feet,⁹ this translates to an economic value of over \$365 million for the County's forests. This economic value is "on the stump," and does not take into account value-added or other economic returns. The full value of the County's forests far exceeds the stumpage value when environmental and recreational benefits are considered.

⁶ Source: Garrett County Forest Conservancy District Board. 2007.

⁷ Source: USDA Forest Service, Resource Bulletin NE-154: Forest Statistics for Maryland, 1986 and 1999.

⁸ This data exceeds the 285,508 acres of forest in Tables 3.1 and 3.8 (which show MDP's 2002 Land Use/Land Cover, adjusted by the County to reflect development between 2002 and 2005) by more than 12,000 acres. The Forest Service data are estimates based on sample plots throughout Maryland, whereas the MDP and County data are based on interpretation of satellite imagery.

⁹ Based on averages from Maryland, Delaware and West Virginia.

Mining

As with agriculture and forestry, mining is part of the economic, historical, and social fabric of Garrett County, western Maryland, and Appalachia as a whole. Garrett County is Maryland’s largest coal producer (see Chapter 10, the Mineral Resources Element), but coal and other mining production has decreased from the early 1900s peak. As recently as 1982 (the most recent peak in coal production), mining employed 963 employees in Garrett County, nine percent of the total workforce.¹⁰ Today, the Forum for Rural Maryland’s Resource-Based Industries study indicates that mining accounts for nearly 350 full-time jobs in Garrett County.

11.2.3 Existing Economic Activity

Employment Centers

Garrett County’s business and technology parks (shown in Map 11.1 and described in Table 11.4) are the location for many of the County’s large and medium-sized employers. The 240-acre Keyzers Ridge Business Park is Garrett County’s newest industrial park. Construction of the park was completed in 2006, with the first tenant—American Woodmark—anticipated by 2008.

The Central Garrett Industrial Park, Southern Garrett Industrial Park, Southern Garrett Business & Technology Park, Northern Garrett Industrial Park, and Keyzers Ridge Business Park are state-designated Enterprise Zones. Businesses that locate or create jobs in Enterprise Zones are eligible for property tax or state income tax credits.

Table 11.4: Existing Employment at County Business/Technology Parks

Business/Technology Parks	Total Acres	Total Square Footage	Existing (2008)	
			Jobs	Percent of Land Sold
Central Garrett Industrial Park	67	131,618	200	100%
Northern Garrett Industrial Park	110	311,406	257	100%
Southern Garrett Industrial Park	164	199,808	642	100%
Southern Garrett Business & Technology Park	104	120,461	147	95%
Keyzers Ridge Business Park ¹	240	0	0	0%
Garrett Information Enterprise Center (Incubator)	n/a	12,795	45	100%
Total, Business and Technology Parks	685	776,088	1,291	64%

1: American Woodmark, the first Keyzers Ridge Business Park tenant, expects to begin construction by 2008-9.

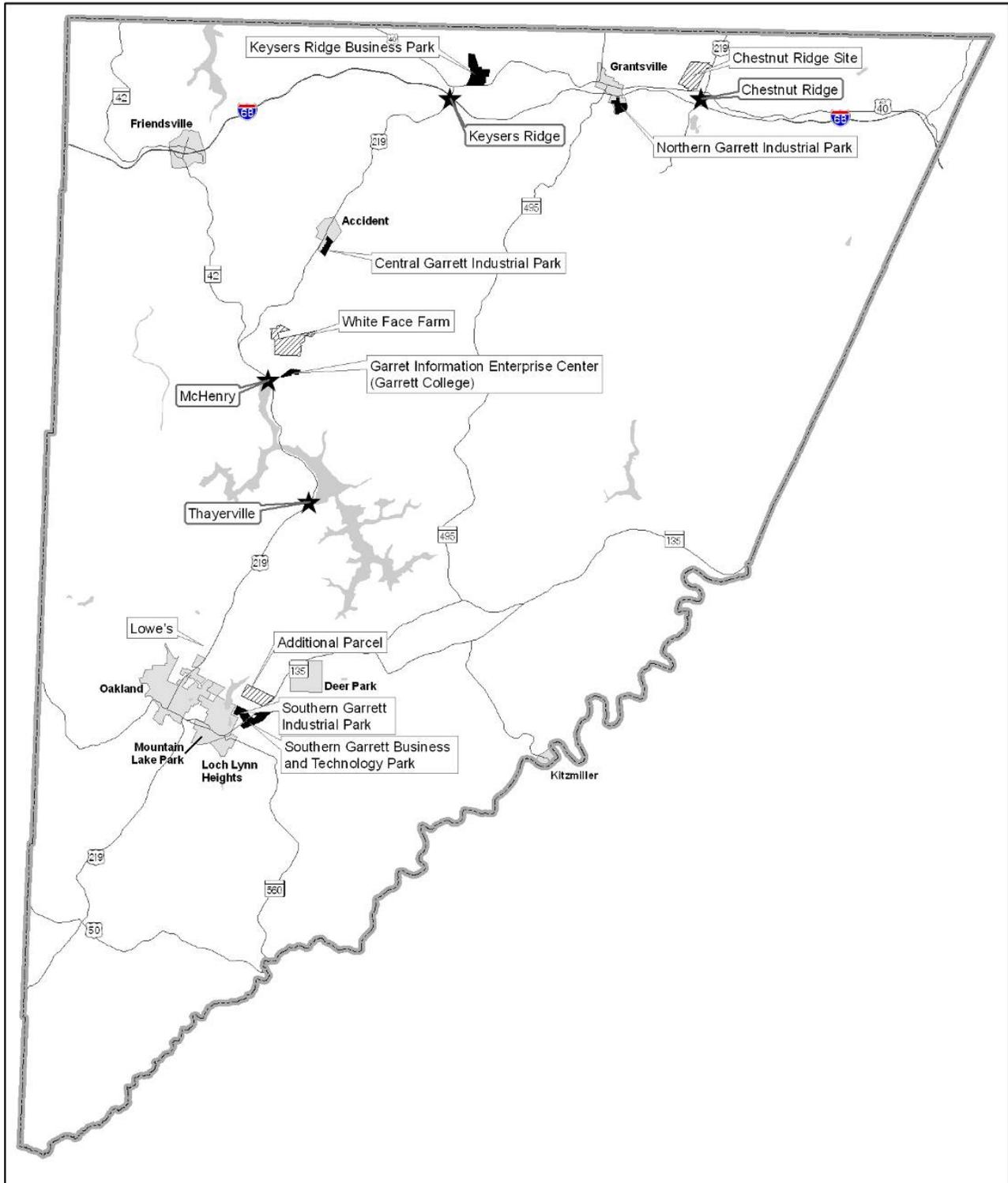
Source: Garrett County Economic Development and ERM

Commercial Areas

Commercial activity in Garrett County is concentrated in the towns of Accident, Friendsville, Grantsville, Loch Lynn Heights, Mountain Lake Park, and Oakland, as well as the areas shown on Map 11.1. The McHenry and Thayerville areas are described in detail in Chapter 4 (the Deep Creek Lake Influence Area Master Plan).

¹⁰ Source: Maryland Department of Planning.

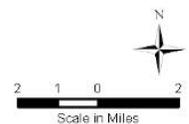
Map 11.1: Employment and Commercial Areas



Employment Areas

Legend

-  Existing Business/Industrial Parks
-  Potential Employment Areas
-  Major Commercial Areas



11.2.4 County Economic Policy

Garrett County Economic Development

Garrett County Economic Development (GCED) is the County department responsible for economic development planning and strategy. GCED's primary mission is to attract and retain jobs and employers in the County, and to diversify the County's economic base.

Through the semi-public Garrett County Development Corporation, and GCED's partnerships with the Maryland Department of Business and Economic Development (DBED), the Appalachian Regional Commission (ARC), the Tri-County Council (Garrett and Allegany County, MD, and Washington County, MD), and federal agencies, GCED administers all local, state, and federal assistance for companies in Garrett County.

Economic Development Strategic Plan

The 2002-8 *Economic Development Strategic Plan*, prepared by GCED and the Economic Development Corporation, is the County's primary economic policy guidance document. The *Strategic Plan's* goals are:

1. To develop a skilled and educated workforce that will support a diverse economy, thereby attracting employment opportunities for residents.
2. To identify specific desirable industry sectors and implement programs for their recruitment to Garrett County.
3. To achieve an Economic Development Plan integrated with other local, state, and federal plans where linkages are mutually beneficial.
4. To support growth and diversification of existing business sectors, including agriculture.
5. To establish an infrastructure that can sustain desired business growth.
6. To implement the economic development initiatives while being mindful of sustaining and enhancing Garrett County's quality of life and the environment.

The *Strategic Plan* lists three major strategies to achieve these goals:

1. Grow the workforce's skill base through education, training, and diversified employment opportunities.
2. Increase the availability of affordable housing.
3. Expand and enhance supporting infrastructure.

The Comprehensive Plan's role is to support GCED in implementation of the *Strategic Plan*. In particular, the Comprehensive Plan focuses on goals 5 and 6, and strategy 3—the initiatives that link economic development to land use and infrastructure.

11.3 Discussion of Issues

11.3.1 Projections

Table 11.5 below shows projections for new employment sites and commercial areas through 2030. These projections are consistent with the more generalized data listed in Table 2.4.

Table 11.5: Projected Employment and Commercial Activity

Employment Sites	Existing (2008)		Additional (by 2030)	
	Square Footage	Jobs	Square Footage	Jobs
<i>Existing Sites</i>				
Central Garrett Industrial Park	131,618	200	25,250	45
Northern Garrett Industrial Park	311,406	257	465,000	152
Southern Garrett Industrial Park	199,808	642	2,000	49
Southern Garrett Business & Technology Park	120,461	147	182,000	193
Keysers Ridge Business Park	0	-	300,000	450
Wisp Resort, Adventure Sports Center International ¹	175,400	175	100,000	178
Garrett Information Enterprise Center (Incubator)	12,795	45	-	50
<i>Future Sites Identified on Map 11.1</i>				
Chestnut Ridge Site	-	-	100,000	150
White Face Farm	-	-	350,000	400
Exhibition Hall	-	-	30,000	2
Additional parcel east of S. Garrett Business & Tech Park	-	-	40,000	25
Oakland Lowes	-	-	110,000	90
Total, Employment Sites	807,737	1,151	1,704,250	1,784
Commercial and Retail Areas <i>(Includes retail, hotel, restaurant, entertainment, etc.)</i>	Existing Square Footage (2005)²		Additional Square Footage (by 2030)	
Oakland/Mountain Lake Park/Loch Lynn Heights	1,702,000		300,000	
Grantsville Area	317,000		100,000	
Friendsville Area	91,000		20,000	
Chestnut Ridge	267,000		75,000	
Keysers Ridge	37,000		100,000	
McHenry (excluding Wisp/Adventure Sports)	387,000		350,000	
Thayerville	169,000		150,000	
Total, Commercial and Retail	2,970,000		1,095,000	

1: Wisp: Shows full time employment only. Seasonal employment is 500, with another 250 seasonal employees possible by 2030. Future additional square footage could range from 50,000 to 125,000.

2: Source: Maryland Property View 2005

Other Sources: ERM, Garrett County Economic development

Table 11.5 reflects some key accomplishments toward the Economic Development Strategic Plan's goals, particularly:

- The acquisition of Keysers Ridge Business Park, and development of water and sewer infrastructure at the site.
- Planned development of the McHenry Business Park at the White Face Farm site.
- Expansion of the employment area east of Mountain Lake Park, including the new Public Works complex (not listed in Table 11.5), and potential development of an additional nearby parcel (see Map 11.1).

11.3.2 *New Employment Areas*

The Land Use Element (Chapter 3) and Deep Creek Lake Influence Area Master Plan (Chapter 4) assigns Employment Center land classifications to the sites of future business and technology parks, and by designating additional areas of General Commercial land classification (particularly along US 219 at Sand Flat Road and Mayhew Inn Road).

An additional potential future economic development area has been identified south and east of the I-68/US 219 North interchange (as described in Section 3.5.5). The creation of this additional economic development area would be consistent with this Plan's land use and economic development objectives, but would depend on the resolution of a number of issues, including support from property owners and the State, and final selection of the US 219 North alignment. Because these issues are not fully resolved, the area is not designated as an Employment Center on the Land Use map.

Infrastructure

The presence of public infrastructure (water, sewer, and roads) is critical for the success of the County's major employment and commercial areas. Most of the Employment Sites shown in Table 11.5, have public water and/or sewer service, and road infrastructure to serve existing and projected future needs, or are within planned water and sewer service areas (see Chapter 5, the Water Resources Element). Of the commercial areas listed in table 11.5, only Thayerville and Chestnut Ridge lack public water service. This Plan proposes extension of public water to the Thayerville area (see Chapter 4).

In some cases, road infrastructure may need to be upgraded to support proposed future economic activity. Chapters 4 and 6 describe the need to improve Bumble Bee Road to serve the White Face Farm site, while Section 4.10 describes the proposed road improvements for the McHenry and Thayerville commercial areas.

The Comprehensive Plan also supports the upgrade of US 219 North (from I-68 to the Pennsylvania state line). As described in Chapter 6 (the Transportation Element), the upgrade of US 219 North would be part of a broader effort to provide highway linkages in the Appalachian region. More specifically, this improvement will increase the value of the Chestnut Ridge area (at the intersection of I-68 and US 219 North) for economic activity. The existing Employment Center designation in the northwest quadrant of that interchange responds to this potential demand.

11.3.3 *Affordable Housing*

In addition to being a basic need for many residents, the availability of affordable housing is also an economic development issue in Garrett County (see Chapter 9, the Housing Element). The availability of adequate affordable housing can encourage existing businesses to expand, and can make the County an attractive location for new businesses and workers (see Chapter 11, Economic Development).

11.4 **Policies and Actions**

1. Continue to support implementation of the *Economic Development Strategic Plan* by designating new or expanded Employment Center and General Commercial land classifications to support business and technology parks, commercial areas, and other employment uses.
2. Continue to invest in new water and sewer infrastructure, and to reserve water and sewer capacity in existing infrastructure, new and expanded employment and commercial areas.

3. Ensure that road infrastructure is adequate to support employment and commercial activities in the County's business parks and major commercial centers. In particular assess the adequacy of Bumble Bee Road/Mosser Road to accommodate future traffic (see Chapter 6, Policy 4).
4. Conserve natural resource lands and maintain the strength of the agriculture and timber industries through expansion of the AR and RR land classifications, and through new clustering and site layout regulations in those areas.
5. Support efforts to increase the supply of affordable housing (see the policies in Chapter 9, the Housing Element).