

Chapter 12: Economic Development and Financial Sustainability

INTRODUCTION

The Economic Development Element for Wicomico County serves as a guide for future economic development within the County. It establishes the vision and basic development policies, which should be implemented to ensure the orderly economic growth and development of Wicomico County. The purpose of this Economic Development Element is to develop a quality community to benefit the residents while maintaining the County's status as a regional center of economic activity.

Wicomico County has unique geographical, cultural, and educational advantages due to its central location on the Delmarva Peninsula. The County is located at the crossing of major highway transportation routes and has advantages due to access to rail, water, and air transportation. It is the home of two of the most vibrant educational facilities in the region, Wor-Wic Community College and Salisbury University. Also, County residents' have easy access to the University of Maryland Eastern Shore in neighboring Somerset County. In addition to the transportation and educational amenities, the County is also the home of the largest medical center in the region, the Peninsula Regional Medical Center, located in Salisbury.

Wicomico's major economic asset is a diversified economic base. The County's solid foundation in agriculture and poultry combined with local and regional institutional entities allows Wicomico to mitigate the impact of negative economic conditions while promoting opportunities for growth.

As expressed in **Chapter 2**, the economic success of the County directly depends upon the success of the municipalities. The Goals, Objectives, and Implementation Strategies within this Plan are inclusive of the municipal areas and directed at sustaining a healthy and diversified economic base and maintaining public infrastructure (schools, roads, water and sewer service, and institutional uses).

GOALS

- Maintain Wicomico County as a center of economic activity and tourism on the Eastern Shore by promoting high-quality development while protecting the County's existing character, and meeting the needs of residents.
- Support improved access between the Eastern Shore and the metropolitan areas of Wilmington, Baltimore and Washington by road, rail, water, and air.
- Promote conservation of natural areas and agricultural land by concentrating economic development in planned growth areas and existing population centers.
- Provide for public services and facilities that support existing economic development and make Wicomico County attractive for new economic expansion.
- Encourage the expansion and diversification of the County's economic base by supporting and recruiting businesses that provide a wide variety of skilled jobs.
- Promote tourism activities and attractions within Wicomico County.
- Maintain Wicomico County's status as the leading producer of agricultural products in Maryland.
- Recognize the significant role of the poultry industry in the local economy, supporting its retention and expansion.

OBJECTIVES

- Plan and implement economic development activities in coordination with Salisbury-Wicomico County Economic Development (SWED).
- Direct growth to designated growth areas with existing or planned services.
- Work with owners, investors, and business representatives to strengthen older business districts, revitalize and redevelop underutilized commercial properties; and to create and retain employment.
- Retain and enhance the businesses in Wicomico County.
- Implement reinvestment strategies, maximizing private sector involvement.
- Recognize productive agricultural land as a valuable finite natural resource.
- Coordinate with the agricultural community in an effort to identify a viable means of retaining land in farming operations, as well as to provide proper protection of productive agricultural land and businesses.
- Continue efforts to make the Wicomico Youth and Civic Center competitive within the marketplace (cultural entertainment, conferences, conventions, special events and sporting events).
- Encourage the development and growth of the local renewable source industry.
- Support the creation of clean energy jobs in the County.

ECONOMIC DEVELOPMENT AND FINANCIAL SUSTAINABILITY

In an effort to identify equitable methods to sustain economic success, the County Executive and Council commissioned the 2012 *Wicomico County Financial Sustainability Report* (Sage Report) prepared by the Sage Policy Group, Inc. A primary objective of this effort was to identify ways to increase revenue in order to provide residents with a level of service consistent with an elevated quality of life. The County's success is largely dependent upon that of the eight municipalities within the County. County revenue is not only collected from residents in unincorporated areas, but from residents in incorporated areas as well. County policies have an impact on the economy of municipalities creating a financial interdependence.

As a result of the economic downturn and declining property assessments experienced regionally over the past six years, the County reduced spending in nearly all County operations. The County's total taxable assessable base declined from \$7.8 billion 2010 to \$7.1 billion in 2012, resulting in a 7 percent or nearly \$0.7 billion decline in revenue.

The SAGE Report evaluated the tax capacity and tax effort of the County. The tax capacity represents the potential tax revenues, provided the County tax rate was identical as the State's average rate. The tax effort is the extent the government is utilizing its tax capacity. Out of the 24 jurisdictions in Maryland, Wicomico County ranked 4th for its property tax effort and 8th for its income tax effort.

Despite efforts to generate necessary revenues, challenges to collect adequate revenue to meet the demand for public services still persist. The County has nearly exhausted its ability to raise revenue through property taxes because of current law. Additionally, the County is surrounded by "tax havens" and risks the potential of losing population to these areas if tax rates were continually increased and no longer competitive to surrounding jurisdictions.

Actions are needed to grow the County's tax base over time, thereby raising revenues without any additional increase in tax effort. The following actions would make the County more competitive with surrounding counties and states. The recommendations are listed below:

- Excuse businesses relocating to Wicomico County from paying the inventory tax. The inventory tax should be phased out over five years for existing business;

- Review and consider adjusting the revenue cap to retain the potential two percent increase; however, change the alternative from the Consumer Price Index to the Implicit Price Deflator for State and Local Consumption Expenditures (IPD), whichever is greater (stop use of CPI for benchmarking purposes);
- Develop a small business incubator in downtown Salisbury;
- Develop a comprehensive economic development strategy for both Wicomico County and Salisbury and increase staffing for local economic development office;
- Cooperate with municipalities to minimize tax burdens caused by financing planned and existing capital improvements and operations; and
- Work in partnership with the City of Salisbury to create a downtown environment more amenable to greater visitation, business formation, job creation and tax base production.

The County has recently taken steps designed to eliminate impediments to businesses. For example, the Commercial Inventory Exemption was amended to reduce the tax from 35 percent to 0 percent over a five-year period. The Manufacturer’s Tax Exemption was amended to exempt manufacturing equipment subject to property tax from 100 percent to 0 percent. These incentives will attract new businesses to the area and maintain existing businesses.

Other efforts being implemented across the County, includes the City of Salisbury budgeting for a Downtown Revitalization Specialist for the purpose of creating a focus for Economic Development within downtown Salisbury. Stimulating economic growth in the City of Salisbury will effectively increase the tax base for both the County and City. Continued cooperation and collaboration between the County and its municipalities will assist in economic success for the entire County.

ECONOMIC PROFILE

Employment

According to the Maryland Department of Labor, Licensing, and Regulation (DLLR), employment within Wicomico County has increased by 6.7 percent or 2,771 jobs between 2002 and 2012, 41,495 and 44,266, respectively. Of the 44,266 jobs located in Wicomico in 2012, approximately 83 percent are private sector and the remaining 17 percent are public sector jobs (federal, State, and local government). In comparison, public sector employment accounted for 15 percent and private sector consisted of the remaining 85 percent of employment opportunities County-wide in 2002.

According to the Maryland Department of Labor, Licensing, and Regulation, the Trade, Transportation, and Utilities sector of the Service Providing industry constituted the overwhelming majority of employment options in 2012. In contrast, Natural Resources and Mining of the Good-Producing industry provided the fewest employment options in the County, 9,344 and 330 jobs, respectively. See **Table 12-1** shows a detailed breakdown of 2012 County employment by sector and industry.

Overall, the State and the County had a similar distribution of employment by industry in 2012, as well as the proportion of the workforce employed by the private and public sectors. The only exceptions being the State as a whole had more persons employed in the federal government than Wicomico County, roughly 6 percent and less than 1 percent, respectively. Additionally, in the private sector, the State experienced a larger proportion of jobs in the Professional and Business Service Industries than the County, 16.3 percent and 9.8 percent, respectively.

TABLE 12-1: WICOMICO COUNTY DISTRIBUTION OF EMPLOYMENT (2012)

| Employment Sector & Industry | Wicomico Annual Average Employee | Wicomico County Percent | Maryland Annual Average Employee | Maryland Percent |
|---------------------------------------|----------------------------------|-------------------------|----------------------------------|------------------|
| Total Employees | 44,266 | 100.0% | 2,514,165 | 100.0% |
| Federal Government | 304 | 0.7% | 146,354 | 5.8% |
| State Government | 2,723 | 6.2% | 100,790 | 4.0% |
| Local Government | 4,657 | 10.5% | 241,058 | 9.6% |
| <i>Total Government Employees</i> | <i>7,684</i> | <i>17.4%</i> | <i>488,202</i> | <i>19.4%</i> |
| Natural Resources & Mining | 330 | 0.7% | 6,926 | 0.3% |
| Construction | 1,819 | 4.1% | 143,303 | 5.7% |
| Manufacturing | 3,882 | 8.8% | 109,068 | 4.3% |
| Trade/Transportation/Utility | 9,344 | 21.1% | 444,972 | 17.7% |
| Information | 658 | 1.5% | 39,804 | 1.6% |
| Financial Activities | 1,612 | 3.6% | 137,521 | 5.5% |
| Professional & Business Services | 4,357 | 9.8% | 409,726 | 16.3% |
| Education & Health Services | 8,523 | 19.3% | 400,436 | 15.9% |
| Leisure & Hospitality | 4,441 | 10.0% | 244,213 | 9.7% |
| Other Services | 1,616 | 3.7% | 89,983 | 3.6% |
| Unclassified | N/A | N/A | 11 | 0.1% |
| <i>Total Employees Private Sector</i> | <i>36,582</i> | <i>82.6%</i> | <i>2,025,963</i> | <i>80.6%</i> |

Source: MD Department of Labor, Licensing, and Regulation (2013)

In 2012, the annual average unemployment rate in Wicomico County was 8.6 percent, which was an improvement as compared to the 2011 unemployment rate of 9.3 percent. For comparative purposes, prior to the significant down turn of the economy experienced nation-wide, the County unemployment rate for 2008 was 5.2 percent. The County experienced a slightly higher rate of unemployment than the State, which experienced a 6.8 percent unemployment rate in 2012.

Wicomico County’s labor force accounted for an employment rate of 91 percent of the 53,135 citizens that are 16 years of age or older. Of the 2,575 private establishments employing 36,582 paid employees approximately 50 of them have 100 or more employees. Major employers in the County include: BesTemps, Delmarva Power, Dove Pointe, Genesis, K&L Microwave, Labinal, Peninsula Regional Medical Center, Perdue Farms, Piedmont Airlines, Shore Up, and Walmart/Sam’s Club. The major employers in Wicomico County are listed in **Table 12-2**.

TABLE 12-2: MAJOR EMPLOYERS - WICOMICO COUNTY (2012)

| Business Name | # of Persons | Business Name | # of Persons |
|---------------------------------------|--------------|-------------------------------------|----------------|
| Anchorage Nursing | 100-249 | Mid Delmarva Family YMCA | 100-249 |
| Barrett Business Services | 100-249 | OfficeMax Inc. | 100-249 |
| BesTemps | 250-499 | Peninsula Regional Medical Center | 1,000 and over |
| Boscov's Department Store | 100-249 | Pepsi Cola Bottling Company | 100-249 |
| Coastal Hospice | 100-249 | Perdue Agribusiness Inc. | 100-249 |
| Coca Cola Enterprises Inc. | 100-249 | Perdue Farms | 1,000 and over |
| Connectiv Resource Partners | 100-249 | Perdue Grain and Oil Seed | 100-249 |
| Darden Restaurants | 100-249 | Piedmont Airlines | 250-499 |
| Delaware Elevator | 100-249 | Pohanka of Salisbury | 100-249 |
| Delmarva Power & Light | 250-499 | Quality Staffing Services | 100-249 |
| Dove Pointe Residential Services | 250-499 | Rehabilitation Hospital Corporation | 100-249 |
| Draper Holdings Business Trust | 100-249 | Rommel Holdings Inc. | 100-249 |
| Food Lion | 100-249 | Salisbury Christian School, Inc. | 100-249 |
| FPP Business Services | 100-249 | Sears | 100-249 |
| Genesis Eldercare Management Services | 250-499 | Sherwood of Salisbury | 100-249 |
| Giant Food Stores | 100-249 | Shore Up | 250-499 |
| Home Depot | 100-249 | Standard Register Company | 100-249 |
| K&L Microwave | 250-499 | Target | 100-249 |
| KFC-Delmarva Dempseys Inc. | 100-249 | Tishcon Corporation | 100-249 |
| Labinal Salisbury Inc. | 500-999 | Trigen Labs | 100-249 |
| Lorch Microwave | 100-249 | Trinity Sterile Inc. | 100-249 |
| Lowe's | 100-249 | UPS | 100-249 |
| Machining Technologies | 100-249 | Verizon Maryland | 100-249 |
| Macy's | 100-249 | Wal-Mart/Sam's Club | 500-999 |
| McDonald's/Baxter, Thomas W | 100-249 | Wendy's Old Fashion Hamburgers | 100-249 |

Source: MD Department of Labor, Licensing and Regulation, September 2012

In addition to the business establishments with paid employees, there were 5,806 non-employer establishments within the County according to the U.S. Census Bureau 2011 Non-employer statistics. As defined by the U.S. Census Bureau, a non-employer business is one that has no paid employees, has annual business receipts of \$1,000 or more and is subject to federal income taxes. The U.S. Census confirmed the majority of all business establishments in the United States are non-employers, yet these firms average less than 4 percent of all sales and receipts nationally.

Commercial and Industrial Sector

There are a number of existing and potential areas in the County where industrial and commercial land uses are proposed with the goal of maintaining Wicomico County as the hub of commercial and industrial employment on the Lower Eastern Shore. These areas are focused within and around the Cities of Salisbury and Fruitland, as well as the Town of Delmar. County-wide there are six business and industrial parks, which can range in size from one to 350 acres. See **Table 12-3**. These more intensely developed uses are situated in close proximity to U.S. Route 13 & 50, Wicomico River, Salisbury – Ocean City: Wicomico Regional Airport, or the Norfolk Southern railroad. For the region to remain competitive and economically viable for supporting commercial and industrial land uses, capital planning and programming for infrastructure maintenance and improvements is critical. In addition, the County and Metro Core municipalities will continue to evaluate commercial and industrial land uses to determine

adequate availability of land to meet existing and future demand, as well as identify compatible locations for expansion of aforementioned uses near major transportation hubs.

The Northwood Industrial Park, which is zoned Industrial Park District, is over 350 acres in size and includes over one million square feet of industrial building space. Businesses in this Park include a beverage distributor, microwave technology, manufacturing, research, printing, and others. Surrounding the Industrial Park, in the Light Industrial District, are other manufacturing, warehousing, and distribution businesses.

Westwood Commerce Park is located at the intersection of U.S. Route 50 and the U.S. Route 13/50 Salisbury Bypass/Ocean Gateway. This developing business park currently contains three developed sites with over 155,000 square feet of floor area. Additionally, it also includes over 250 acres of land available for new business development. This Commerce Park is expected to serve as the gateway of economic activity in the Salisbury area.

Wicomico County appropriated funding in FY 2014 Capital Improvement Budget to prepare a study identifying the cost and evaluate feasibility to provide water service properties Airport Business Zoning District (A-2). In addition to serving the Airport, consideration of expanding service to the Air Business Center is essential to attract industrial uses to this Center.

TABLE 12-3: BUSINESS & INDUSTRIAL PARKS - WICOMICO COUNTY (2009)

| Business/Industrial Property | Info |
|------------------------------|--|
| Northwood Industrial Park | Located just outside of the City of Salisbury, this industrial park has a total of 350 acres. |
| Air Business Center | The Air Business Center has direct runway access at the Salisbury-Ocean City: Wicomico Regional Airport to sites for air related corporate use. |
| Fruitland Industrial Park | This industrial park has a total of 110 acres with municipal service and rail access. |
| Westwood Commerce Park | The Westwood Commerce Park is located at the intersection of U.S. Route 50 and the U.S. Route 13/50 Salisbury Bypass/Ocean Gateway. This 260-acre site is served by the City of Salisbury’s water and sewer system. In addition, this commerce park is served by natural gas and high-speed voice and data line. |
| Airport Incubator | The Airport Incubator provides below market lease rates with flexible terms to technology-oriented firms. The former terminal building at the airport was converted into the Airport Incubator. The building consists of 7,500 sq. feet of space for lease. |

Source: MD Department of Labor, Licensing and Regulation, September 2009

Construction Sector

The number of residential and non-residential building permits issued in Wicomico County and the eight municipalities had decreased annually since 2007. In 2007, 513 residential and 174 non-residential building permits had been issued county-wide. The number of permits had decreased to 87 residential and increased to 240 non-residential in 2012, a reduction of 58.3 and increase of 175.9 percent, respectively. See **Table 12-4**. The reduction in building permits between 2007 – 2011 reflected the weakening of the overall economy and underscored the importance of a diversified local economy. The considerable increase in multi-family permits in 2012 is indicative of a recent change in the County development pattern resulting in municipal areas experiencing higher residential growth rates than unincorporated portion of the County.

TABLE 12-4: BUILDING PERMITS ISSUED –WICOMICO COUNTY

| Permits | Wicomico County 2007 | Wicomico County 2008 | Wicomico County 2009 | Wicomico County 2010 | Wicomico County 2011 | Wicomico County 2012 | Percentage Difference 2007 - 2011 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------------------|
| Single-Family Residential | 269 | 208 | 145 | 142 | 107 | 87 | -67.7 |
| Single-Family Residential Percent Change | N/A | -22.7% | -30.3% | -2.1% | -24.6% | -18.7% | N/A |
| Multi-Family Residential | 244 | 140 | 55 | 4 | 0 | 240 | 1.7 |
| Multi-Family Residential Percent Change | N/A | -42.6% | -60.7% | -92.7% | -100.0% | +240.0% | N/A |
| Non-Residential | 174 | 133 | 67 | 64 | 66 | 80 | 54.0 |
| Non-Residential Percent Change | N/A | -23.6% | -49.6% | -4.5% | +3.1% | +21.2% | N/A |
| TOTAL | 687 | 481 | 267 | 210 | 173 | 407 | 40.8% |

Source: Maryland Department of Planning – State Data Center (2012), and Salisbury-Wicomico Economic Development, Inc. (2012)

Agricultural Sector

Wicomico County has an active farming community, especially in its eastern and western areas of the County. According to the 2007 Census of Agriculture, there were 508 active farms in the County with an average size of 183 acres. Statewide, the County ranked first in the estimated market value of all agricultural products sold, with almost \$200 million of products sold in 2007. Poultry accounted for almost 80 percent of this figure, not including crops that may have been grown in support of the poultry industry.

More information about the agriculture and its importance to the local economy is located in **Chapter 6: Agriculture** of this Plan.

IMPORTANCE OF TRANSPORTATION NETWORK

The transportation services offered in Wicomico County provide easy access throughout the County. All modes of transportation are available: highway, rail, water, and air. The major highways that run through the County are U.S. Route 50, which runs east-west, and U.S. Route 13, which runs north-south. The Norfolk-Southern railway runs through Salisbury parallel to U.S. Route 13 Business. In addition, two freight trains service the Northwood and Fruitland Industrial Parks daily. The Port of Salisbury is one of the largest ports in the State of Maryland, second only to Baltimore. Annually, the Port handles over \$200 million in goods including petroleum, grain, and building materials. The County is also home to the Salisbury-Ocean City: Wicomico Regional Airport, which is the second largest commercial airport in Maryland serving approximately 120,000 to 150,000 passengers annually.

This versatile transportation system allows both the residents of the County and tourists to move freely around the area. It allows businesses to maintain their operations and ensure delivery of needed products and services. Therefore, maintaining the various modes of transportation within the County is vital to the sustainability of the economic activity.

EXISTING PROGRAMS & INCENTIVES

Salisbury-Wicomico Economic Development, Inc. (SWED)

Founded in 1968, Salisbury-Wicomico Economic Development, Inc. (SWED) is the primary agency charged with the promotion of economic development activities within Wicomico County. SWED is a private membership organization, which receives support from local governments. The mission of SWED is “to enhance the socio-economic environment of Salisbury, Wicomico County and region through the preservation and creation of productive employment opportunities.”

In their 2012 Annual Report SWED had described its activities as threefold:

- **Business Retention/Expansion:** Most businesses derive seventy to eighty percent of revenue from existing customers. As a correlation, most new jobs in any community originate from resident businesses. A strong business base also helps to attract new firms to a growing area.
- **Business Attraction:** New and diverse businesses mitigate adverse effects of economic downturns, reduce reliance on a few firms, increase the taxable base, and add jobs. Ancillary or indirect benefits are as great, if not greater, than direct benefits.
- **Strengthen SWED:** Since its establishment in 1968, SWED has received financial and professional support from public and private sectors. Both sectors demonstrate an interest in economic development and both sectors possess unique resources. A combined public-private effort maximizes resources, leverages capital, and broadens expertise.

To learn more about the activities and services provided by SWED, visit their website at www.swed.org or contact them (410) 749-1251.

Enterprise Zone

Businesses locating within an Enterprise Zone may be eligible for real property and state income tax credits. Upon application and approval, the zone offers a ten year credit against local real property taxes on a portion of real property improvements. The credit is 80 percent the first five years, and decreases 10 percent annually to 30 percent in the tenth and final year. This Zone also offers a one-time \$1,000 credit per new worker on State income taxes.

The Count has partnered with Cities of Fruitland and Salisbury to establish two certified Enterprise Zones (Salisbury – Wicomico County and Fruitland – Wicomico County Enterprise Zones). Both certified Enterprise Zones contain a portion of the unincorporated area of Wicomico County. The City of Salisbury and Wicomico County, which was certified in 2012 by the Maryland Department of Business and Economic Development, expanded the 3,845 acres previously designated as the Salisbury-Wicomico County Enterprise Zone by 435 acres. In 1995, the 133 acre City of Fruitland – Wicomico County Enterprise Zone was certified. See **Map 12-1**.

The criteria for classification as an Enterprise Zone concentrates on areas with declining population, higher than average poverty rates, unemployment rates above national average, and percentage of families with a median family incomes of less than 80 percent of the surrounding area of county. The Enterprise Zone provides an incentive for businesses to locate in these areas and hire new employees.

One Stop Job Market

The One Stop Job Market is home to various State and local agencies that provide employment and training services and offer resources and assistance to businesses. These agencies include: Maryland Department of Business and Development (DBED); Maryland Department of Labor, Licensing and Regulation (DLLR); Job Corps; Lower Shore Manufacturing Net; Maintaining Active Citizens (MAC) - Senior Employment program; Tri-County Council of the Lower Eastern Shore; and the Tri-County Workforce Initiative.

To obtain more information about the services provided at the One Stop Job Market, visit their website at www.onestopjobmarket.org or contact them at (410) 341-6515.

Job Creation Tax Credits

Maryland provides a \$1,000 tax credit to businesses that create new jobs to encourage businesses expanding or relocating to Maryland. In most cases, the Job Creation Tax Credit (JCTC) is 2.5% of annual wages for all newly created, full-time jobs, subject to a limit of \$1,000 per new job. The credit earned by a qualified business entity may not exceed \$1 million per credit year. The business must create 60 new, full-time jobs during a 24-month period. For a business that locates or expands in a Priority Funding Area, the minimum is 25 jobs. Outside of a Priority Funding Area, the requirement may be reduced to as few as 30 jobs if the aggregate annual salary for new employees exceeds \$2.85 million for 2009. All positions must be filled for 12 months.

If the credit is more than the tax liability, the unused credit may be carried forward for five years following the credit year. The credit may be recaptured if the business experiences job losses.

Manufacturing Equipment and Machinery

The State of Maryland does not impose a personal property tax of business. Manufacturing equipment and machinery is exempt from personal property tax in Wicomico County. The exemption enables existing manufacturing companies to expand and modernize equipment in order to remain competitive and increase employment opportunities.

Commercial Inventory

Wicomico County will reduce the percentage of the assessed value of commercial inventory, subject to County property tax, from 35% to 0% by 2018. Under the current tax provisions, businesses that require inventory to operate were deterred from locating in Wicomico County. By eliminating the commercial inventory tax, it is anticipated the County will be competitive to other counties and neighboring states in attracting new and retaining existing business.

Sales Tax Exemptions

Wicomico County does not impose a sales tax, but is subject to State sales tax. In some instances the State exempts sales tax. Items that are exempt of the State sales tax include:

- Capital manufacturing equipment;
- Equipment or materials used or consumed in research and development;
- Fuels used in manufacturing;
- Computer programs reproduced for sale or incorporated in whole or in part into another computer program intended for sale; and
- Customized computer software.

Arts and Entertainment District

An Arts and Entertainment District is a geographically designated area in which a high concentration of arts and entertainment facilities serve as an anchor attraction. The intent of the District is to stimulate neighborhood revitalization, improve the attractiveness and safety of areas, stimulate business activity (particularly in the evenings and on weekends), attract residents and visitors, and build the tax base.

The tax incentives available within the designated Arts and Entertainment District include: an income tax subtraction modification for qualifying residing artists; a property tax credit; and an exemption from the Admissions and Amusement Tax.

In April 2007, the Maryland Department of Business and Economic Development granted the City of Salisbury an Arts & Entertainment District designation. This designation brought additional tax and financial incentives to certain arts and entertainment related businesses and investments. The benefits offered to participants in the Arts & Entertainment District included:

- Property tax credits for new construction or renovation of certain buildings that create live-work space for artists and/or space for arts and entertainment enterprises;
- An income tax subtraction modification for income derived from artistic work sold by qualifying residing artists; and
- An exemption from the Admissions and Amusement tax levied by an arts and entertainment enterprise or qualifying residing artist in a district.

For more information contact the City of Salisbury Department of Community Development at 410-334-3031, or visit the City of Salisbury's website at <http://www.ci.salisbury.md.us>.

Maryland Broadband Cooperative

The Maryland Broadband Cooperative (MDBC) is a public/private partnership to promote economic development through the deployment of technology supporting infrastructures. The mission of MDBC is "to drive economic development through universal, open access to broadband services via a fiber optic network that serves rural Maryland by building an advanced, world-class broadband network across the rural communities of Eastern, Southern and Western Maryland supported by its' members who provide Last Mile services." The MDBC receives funding to build the infrastructure through the Maryland Rural Broadband Coordination Board.

Wicomico County is part of the Lower Eastern Shore network which serves Easton, Cambridge, Salisbury, West Ocean City, Snow Hill, Wallops Island, Pocomoke, and Princess Anne through a system of fiber optic cable.

TOURISM

Economics Benefits of Tourism

Wicomico County is the hub of Maryland's Eastern Shore as it is ideally situated within a drive market extending from Philadelphia to Baltimore and Washington. The County offers a wide range of natural, cultural, and historic assets that provide prime opportunities for tourism and a steady stream of income to the local economy.

Tourism is an effective mechanism to bring new revenue into a local economy. Creating year-round, as well as seasonal tourism opportunities can increase spending, thereby infusing money into the local economy. Other positive benefits include the creation or expansion of new and existing businesses that are dependent on the tourism.

Wicomico County Recreation, Parks and Tourism

The mission of the Wicomico County Tourism Division is to create memories through heritage and eco-tourism, conferences, trade shows, sports tournaments, and special events. The Division is driven by creative marketing and sales efforts, and the maximum use of its tourism assets. These efforts enhance the County's quality of life and economy.

Tourism enhances and contributes to the overall identity and economic well-being of the county and region. In Fiscal Year 2012, 1,097 events were brought to Wicomico County by the Department of Recreation, Parks, & Tourism with an estimated \$32,800,000 economic impact on the local economy. The current objectives of the County include the following:

- Develop and implement a plan making the Wicomico Youth and Civic Center competitive within the marketplace (cultural entertainment, conferences, conventions, special events and sporting events);
- Continue to develop regional signature annual events which are multi-day, and the primary attendee is the overnight visitor from the 150-mile radius target market of Baltimore, Washington, and Philadelphia;
- Develop a means to support signature events;
- Research and develop a sports marketing package that provides high motivation for sports teams and events to come to Wicomico County;
- Continue to attract conventions and trade shows;
- Continue operation of the Visitor's Center;
- Develop "tourist & day tripper intercept" and "extended stay" programs to better capitalize upon the traveler passing through or near Wicomico County;
- Roll out Wicomico's new tourism brand;
- Develop a consistent information tool whereby businesses appreciate the value of tourism & become active partners to develop and support the County's enterprise;
- Continue to develop consumer data for the purpose of marketing events and measuring trends; and
- Coordinate with neighboring counties on increasing a regional experience for visitors.

Agri-Tourism

Agriculture has played a strong role in the development of Maryland's Eastern Shore over the years, and continues to be of importance today. According to the 2007 Census of Agriculture, Wicomico County was home to over 500 farms that encompassed roughly 93,000 acres. With an increasing popularity of agri-tourism over the last few years, many visitors have been interested in learning about the cycle of food production and gaining a firsthand glimpse of the behind the scenes workings of a farm. Several of our area farms have opened their doors to visitors offering opportunities to pick their own fruits and vegetables, purchase locally-grown produce, or even have fun with agriculture through outdoor corn mazes.

Heritage Tourism

There are numerous economic benefits to preserving and protecting the history of Wicomico County. Besides establishing a sense of civic pride, capitalizing on the unique importance of local historic structures and places has resulted in additional tourist dollars contributing into the local economy. Further strengthening the marketing of such treasures can capture additional tourist, especially summer travelers on the way to the beach. For more information regarding historic and cultural resources in the County refer to **Chapter 10**.

ANALYSIS OF ECONOMIC DEVELOPMENT ISSUES

Wicomico County is clearly recognized as the economic heart of the Delmarva Peninsula, a position that comes from the County's location at the center of transportation networks by land, sea and air. Maintaining and strengthening these historic ties with the virtual ties offered through fiber optic and satellite technologies. These digital connections make it possible for rural communities like Wicomico County to participate in the global economy. Higher education resources and important regional medical facilities can enable county residents to participate in and take advantage of far-reaching opportunities and enhanced services that were once available only by traveling great distances. This connectivity opens considerable opportunity for local entrepreneurs and existing local businesses.

Protection of agricultural land within the County needs to be a high priority to maintain the production of agricultural goods and the associated industrial employment at poultry processors. Development in the rural parts of the County should be closely monitored in an effort to maintain and preserve these areas. Preservation of rural landscapes is also important to the heritage tourism initiatives undertaken by the County.

The County needs to support and strengthen the efforts of organizations, such as SWED, to retain and recruit businesses that provide key services and employment within the County. This involves direct assistance to businesses, as well as provides the community amenities and quality of life that can attract and retain skilled and valuable workers.

IMPLEMENTATION STRATEGIES

- Develop programs to support continued viability of agriculture, and agriculturally related business in the County.
- Direct commercial, industrial, and employment activities into the designated growth areas that are served or planned to be served by a complete array of public services or in close proximity to major roadways, rail, airport, and the Port of Salisbury.
- Encourage development of a variety of commercial, service, and distribution activities necessary to serve an expanding three-state regional market.
- Improve and support existing workforce training and educational opportunities in the County in order to retain existing businesses and attract new industries.
- Support existing businesses and industries by expanding tourism linkages, marketing, and regional tourism opportunities.
- Coordinate with municipal jurisdictions to expand Urban Service Districts or explore feasibility of creating shared or community systems to provide public water and sewerage services to areas in the County zoned for more intense commercial and industrial land uses (Airport Business Zoning District).
- Create and promote areas and opportunities for private investment in appropriate commercial and industrial activities at appropriate and strategic locations throughout the County.
- Provide for regional activity centers at optimal locations such as major interchanges and at suitable points along major highways, simultaneously insuring that excessive development will not occur.
- Encourage diverse industrial development in order to promote a stable well balanced economy.
- Ensure commercial – service related development activities, which are permitted by special exception in the A-1 Zoning District, should protect the rural atmosphere, compatible with existing development, and support or depend upon agriculture.
- Implement recommendations of the strategic plan to ensure the competitiveness of the Wicomico Youth and Civic Center within the marketplace (cultural entertainment, conferences, conventions, special events and sporting events).

- Work closely with neighboring Lower Shore counties to develop and implement the federally-recognized Comprehensive Economic Development Strategy (CEDS) report.
- Enhance marketing of historic and cultural assets in the County.

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