



SHAPING THE ECONOMIC FUTURE OF CHARLES COUNTY



Charles CHARLES COUNTY, MARYLAND
CLOSE TO THE CAPITAL. FAR FROM ORDINARY.

Charles County Economic Development Department

10665 Stanhaven Place, Suite 206

White Plains, Maryland 20695

www.MeetCharlesCounty.com

THANK YOU

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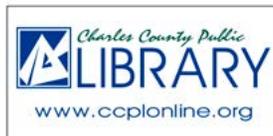
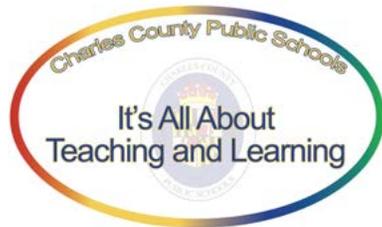
DIAMOND



GOLD



PLATINUM



SILVER



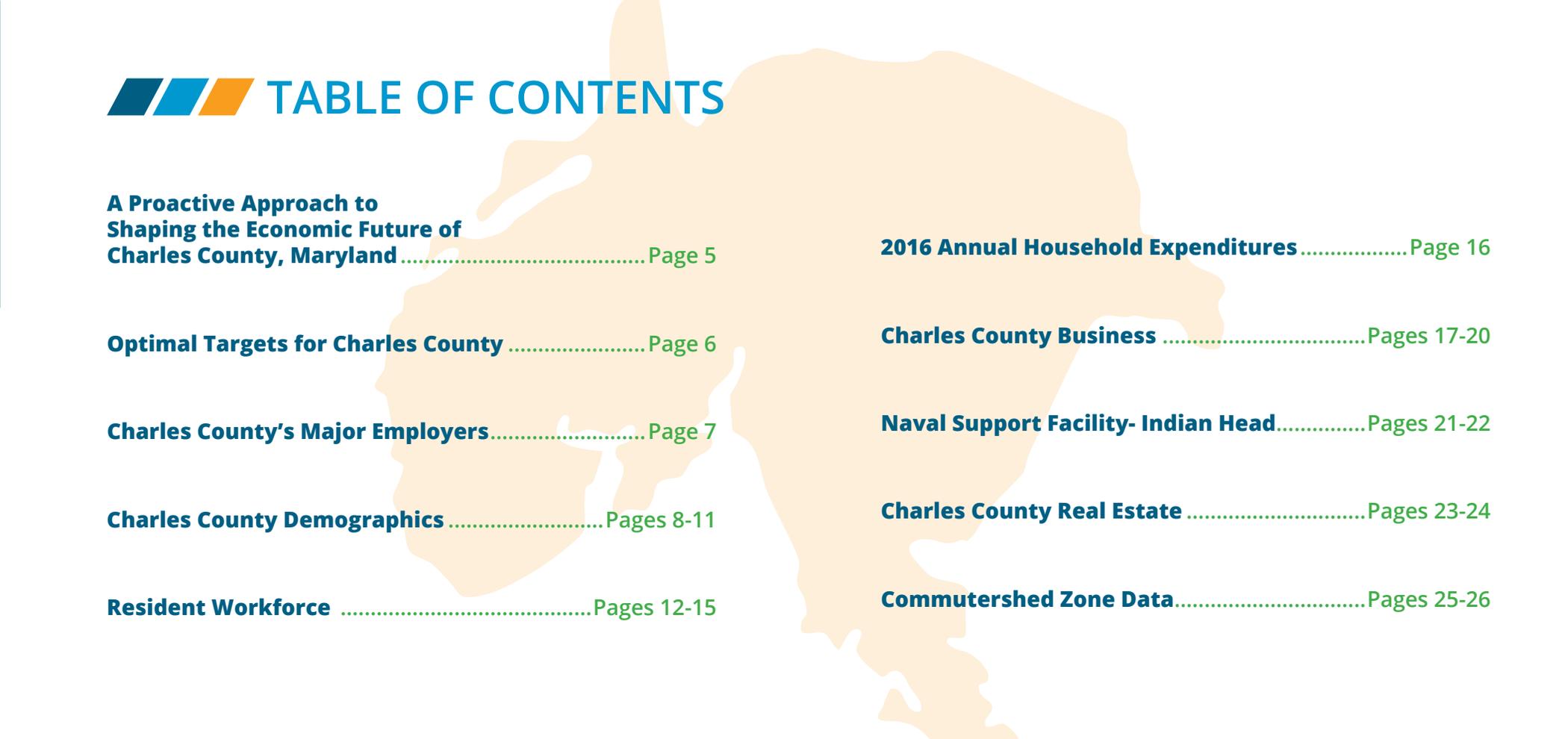


TABLE OF CONTENTS

A Proactive Approach to Shaping the Economic Future of Charles County, Maryland	Page 5	2016 Annual Household Expenditures	Page 16
Optimal Targets for Charles County	Page 6	Charles County Business	Pages 17-20
Charles County's Major Employers	Page 7	Naval Support Facility- Indian Head	Pages 21-22
Charles County Demographics	Pages 8-11	Charles County Real Estate	Pages 23-24
Resident Workforce	Pages 12-15	Commutershed Zone Data	Pages 25-26

ECONOMIC DEVELOPMENT STAFF

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Welcome, and thank you for spending your morning with us today at the 2016 Charles County Economic Development Fall Meeting.

“Shaping the Economic Future of Charles County” is not a job for one individual or entity. It will take all of us, working together to make our community into the place we want it to be, that we know it can be. Our new economic development five-year strategic plan provides us with a framework for how to get there, but we must make the journey together.

We all have a role to play in building wealth in our community. The private sector engages in commerce, generating revenue and creating jobs. The public sector creates an environment where those activities can thrive. It is the role of the economic development organization to bring together and leverage the resources necessary to build and sustain that environment.

Today, we will take a detailed look at several recommendations from our five-year strategic plan that address steps to strengthen Charles County’s competitive position. By enhancing our product – the county – and executing effectively – our service – we are creating an environment that supports commerce and business growth. We hope you will engage in the discussion and participate in “Shaping the Economic Future of Charles County”.

Sincerely,

Darréll A. Brown, Esq., Director

Today’s Agenda

8:00 a.m. Networking Breakfast

8:30 a.m. Welcome

Darréll Brown, Director

County Administrator Update

Michael Mallinoff, County Administrator

Review of the 2015 Strategic Plan

Darréll Brown, Director

Telling Our Story: What’s Hiding Behind the Curtain of Economic Development

Marcia Keeth, Deputy Director & Debra Jones, Chief of Business Development

Panel 1: Executing Effectively: The Future of Entrepreneurship in Charles County

Moderator: Brad Gottfried, President, College of Southern Maryland

Q & A

Break

Panel 2: Enhancing Our Product: Infrastructure & Redevelopment: A Reinvestment in our Future

Moderator: Jason Groth, Chief of Infrastructure, Charles County Government

Q & A

Panel 3: Telling Our Story: Investment Update: CPV from Prospect...to Investment...to Jobs!

Moderator: Debra Jones, Chief of Business Development, Charles County Economic Development Department

Q & A

Telling Our Story: Call to Action!

Marcia Keeth, Deputy Director

11:55 a.m. Thanks & Closing

Commissioner Peter Murphy, President & Darréll Brown, Director

A PROACTIVE APPROACH TO **SHAPING THE ECONOMIC FUTURE** OF CHARLES COUNTY, MARYLAND

In September 2015, the Charles County, Maryland Economic Development Department (EDD) retained the firms of Development Counselors International (DCI) and Garner Economics, LLC to develop an Economic Development Strategy. The focus of this engagement was to help Charles County understand how it can leverage its strengths and mitigate challenges to create economic opportunities for its citizens.

The resulting plan, **A PROACTIVE APPROACH TO SHAPING THE ECONOMIC FUTURE OF CHARLES COUNTY, MARYLAND**, provides a roadmap that details the product improvement, marketing, and organizational changes the county must make to ensure that Charles County strengthens its competitive position and is able to attract and retain the types of businesses that will create jobs and opportunities for its population.

RECOMMENDATIONS	
Enhance the Product	Execute Effectively
<ol style="list-style-type: none"> 1. Advocate for funding sources to improve the county's economic development infrastructure. 2. Enhance the water and wastewater capacity and availability and extend it to identified sites. 3. Provide free, public high-speed Internet access throughout Charles County. 4. Improve gateways into the county. 5. Support improvement of Maryland Airport. 	<ol style="list-style-type: none"> 1. Staff a county business investment and retention ombudsman. 2. Reorganize the county's Economic Development Department. 3. Create a one-stop permitting office. 4. Advocate for, and develop a realistic and sustainable incentive policy. 5. Conduct community benchmarking visits. 6. Create a culture of entrepreneurship among the county's youth.
Tell the Story	
<ol style="list-style-type: none"> 1. Define Charles County's key assets for target audiences. 2. Develop a "Marketing Toolkit" to showcase Charles County's strengths. 3. Use Earned Media to help tell the Charles County story. 4. Update digital marketing efforts to reflect findings from this strategy. 5. Continue to build site-selection consultant and commercial broker relationships. 6. Strengthen relationships with the local business community through regular engagement and communication. 7. Start a lead generation program and start engaging with corporate level executives from target industry sectors. 	

OPTIMAL TARGETS FOR CHARLES COUNTY

A PROACTIVE APPROACH TO SHAPING THE ECONOMIC FUTURE OF CHARLES COUNTY, MARYLAND.



FEDERAL CONTRACTING & HIGH-VALUE PROFESSIONAL/BUSINESS SERVICES

- Management, Scientific, and Technical Consulting Services
- Facilities Support Services
- Electronic and Precision Equipment Repair and Maintenance
- Accounting, Tax Preparation, Bookkeeping, and Payroll Services
- Management of Companies and Enterprises
- Office Administrative Services
- Business Support Services



HEALTH SERVICES

- Offices of Physicians, Dentists, and Other Health Practitioners
- Health Services Educational Institutions
- Outpatient Care Centers
- Medical and Diagnostic Laboratories
- Home Health Care Services
- Nursing and Residential Care Facilities



ENTREPRENEURIAL & RETAIL DEVELOPMENT

- Co-Working and Remote Office Centers
- Traveler Accommodations
- Restaurants and Other Eating and Drinking Places
- Scenic and Sightseeing Transportation
- Specialty Food Stores
- High-End Boutique Retail
- Stationery and Gift Stores
- Miscellaneous Store Retailers



R&D, ENGINEERING & COMPUTING

- Architectural, Engineering, and Related Services
- Scientific Research and Development Services
- Software Publishers
- Computer Systems Design and Related Services
- Data Processing, Hosting, and Related Services
- Internet Publishing and Broadcasting and Web Search Portals
- Specialty and Light Manufacturing

Charles County's Major Employers



Charles County is a dynamic region in the Washington, D.C. Metro Area that is well positioned for investment, growth and development. It offers businesses and investors a strategic location, talented workforce, high value for costs, and excellent education options.

Retail	# Employees	Product/Service
Charles County Board of Education	3,630	Public Education
Naval Support Facility (NSF) Indian Head	3,244	Military Installation
Charles County Government	1,637	Local Government
University of MD Charles Regional Medical Center	696	Medical Services
College of Southern Maryland	*550	Higher Education
The Facchina Group of Companies	519	HQ/Construction/Technology
Southern Maryland Electric Coop. (SMECO)	458	Energy Products and Services
BJ's Wholesale Club	452	Retail
Target	400	Retail
McDonald's	396	Restaurants
Safeway	391	Retail
Walmart/Sam's Club	338	Retail
Genesis Health Care La Plata Center	278	Nursing Care
Sage Point Senior Living Services (formerly CCNRC)	275	Nursing Care
Waldorf Ford	250	Retail
Lowe's	244	Retail
The Wills Group	242	HQ/Fuel Distribution & Marketing
ADJ Sheet Metal	194	Metals/Manufacturing
NRG (formerly GenOn)	186	Power Generation
Bloomin' Brands (formerly OSI Restaurant Partners)	159	Restaurants
Keller Transportation	150	Bus Transportation
Waldorf Chevy Cadillac	150	Retail
Spring Dell Center	140	Services - Dev. Disabled Individuals
Home Depot (mostly PT employees)	134	Retail
Toyota/Scion of Waldorf	128	Retail
Cracker Barrel Old Country	121	Restaurants
Sears, Roebuck & Co	120	Retail
Darden Restaurants	112	Restaurants
Panera Bread	109	Restaurants
Community Bank of The Chesapeake	107	Banking
Best Buy	100	Retail
Reliable Contracting	80	Construction Services

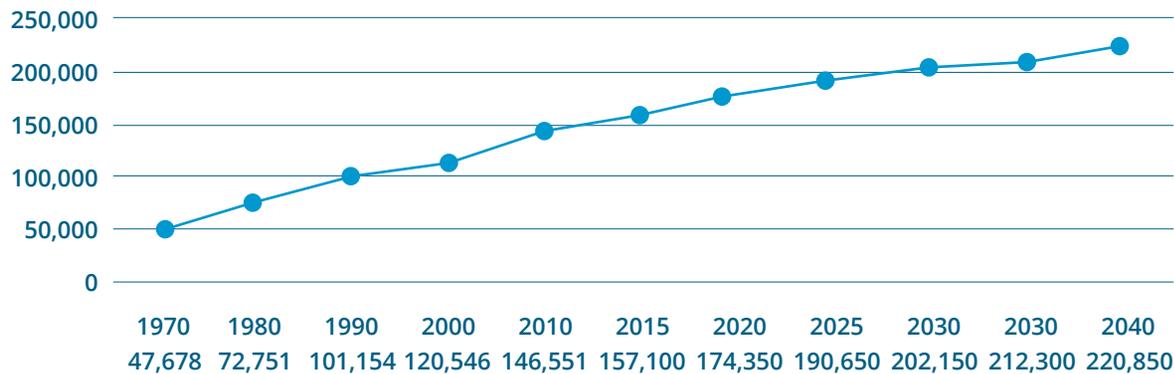
* number excludes Adjunct Faculty

Source: Charles County Department of Economic Development, 2016

2015 Population Age Distribution



Total Population



2015 Population
156,118

Charles County is one of the fastest growing counties in Maryland

Source: Maryland Department of Planning, 2016.

Source: Census Population Estimates, 2015.

www.MeetCharlesCounty.com

Charles County Demographics



Waldorf

74,792

Population (2016)

Labor Force

42,526

Bachelor's Degree or Higher

27.8%

Median Household Income

\$88,094



Indian Head

4,259

Population (2016)

Labor Force

2,263

Bachelor's Degree or Higher

16.6%

Median Household Income

\$63,566



La Plata

9,254

Population (2016)

Labor Force

4,589

Bachelor's Degree or Higher

31.1%

Median Household Income

\$93,208



Hughesville

2,241

Population (2016)

Labor Force

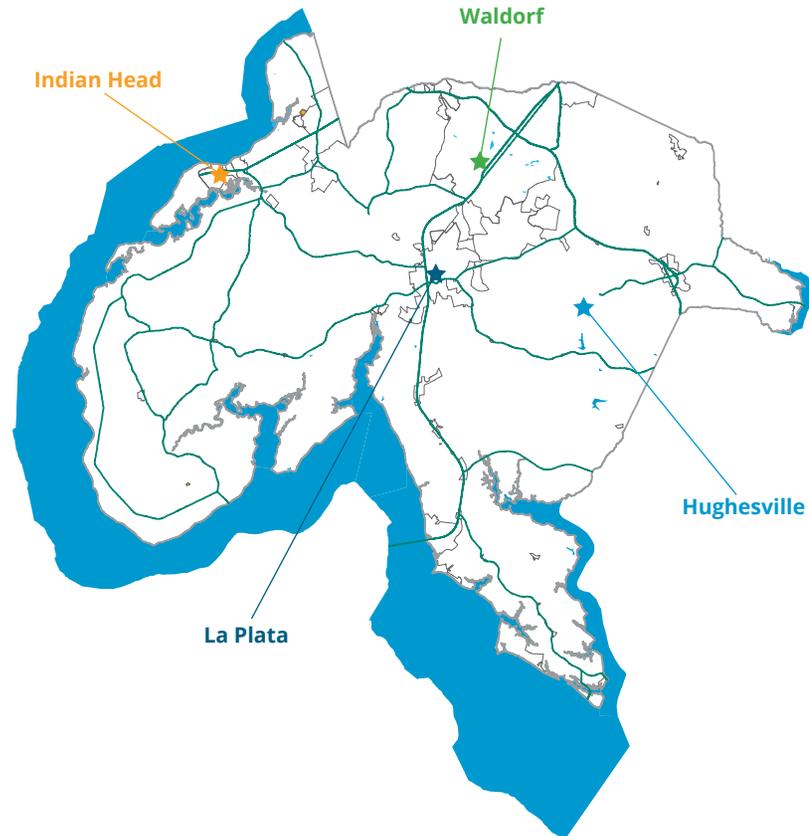
1,301

Bachelor's Degree or Higher

27.7%

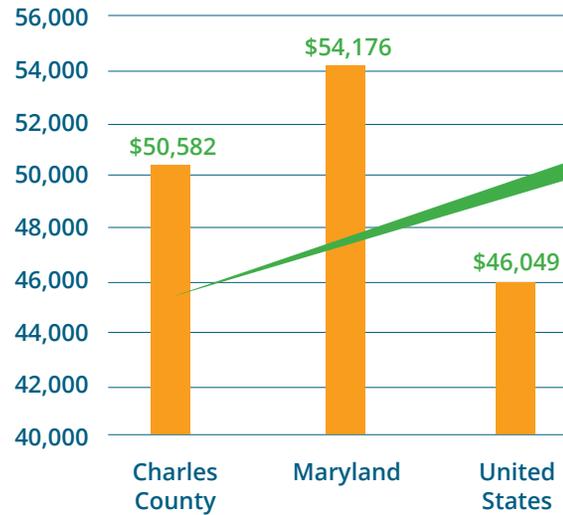
Median Household Income

\$135,032



2014 Per Capita Income

Charles County has the 4th highest median household income in Maryland and the 24th highest median household income in the United States.



The 2014 Per Capita income reflects an increase of 2.8 percent from 2013.

Source: Bureau of Economic Analysis, 2014.

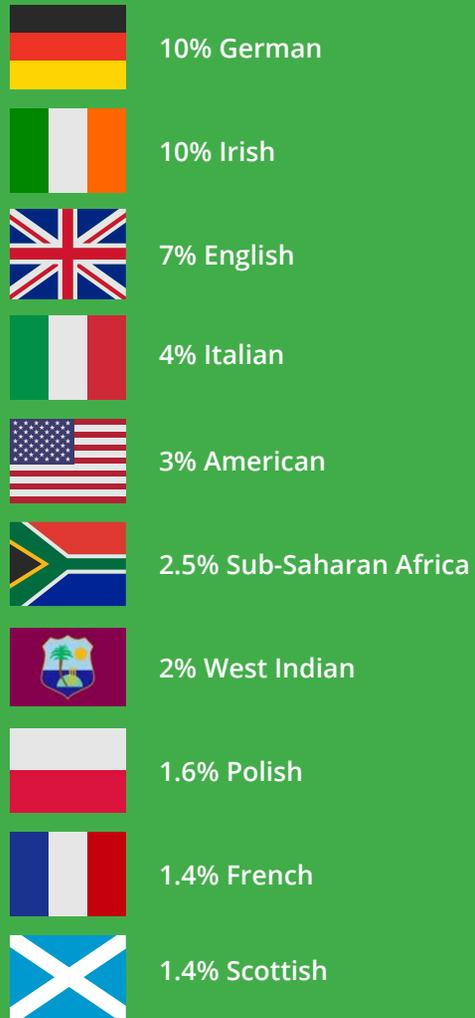
Median Household Income



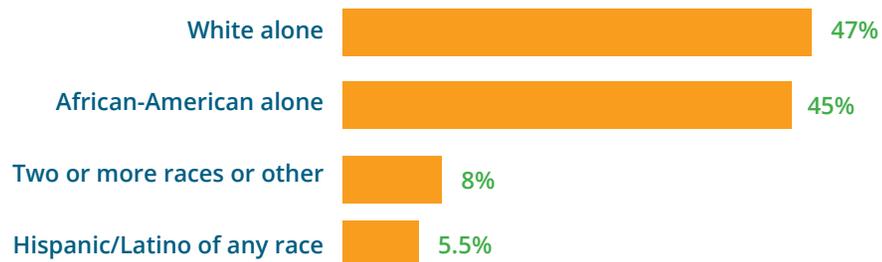
Source: US Census Bureau, American Community Survey, 1 Year Estimates, 2015.

FUN FACT!

Do you know Charles County residents' ancestry?

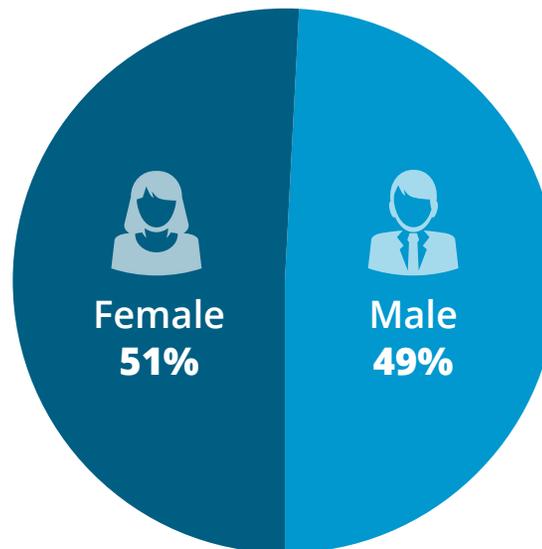


Population Diversity



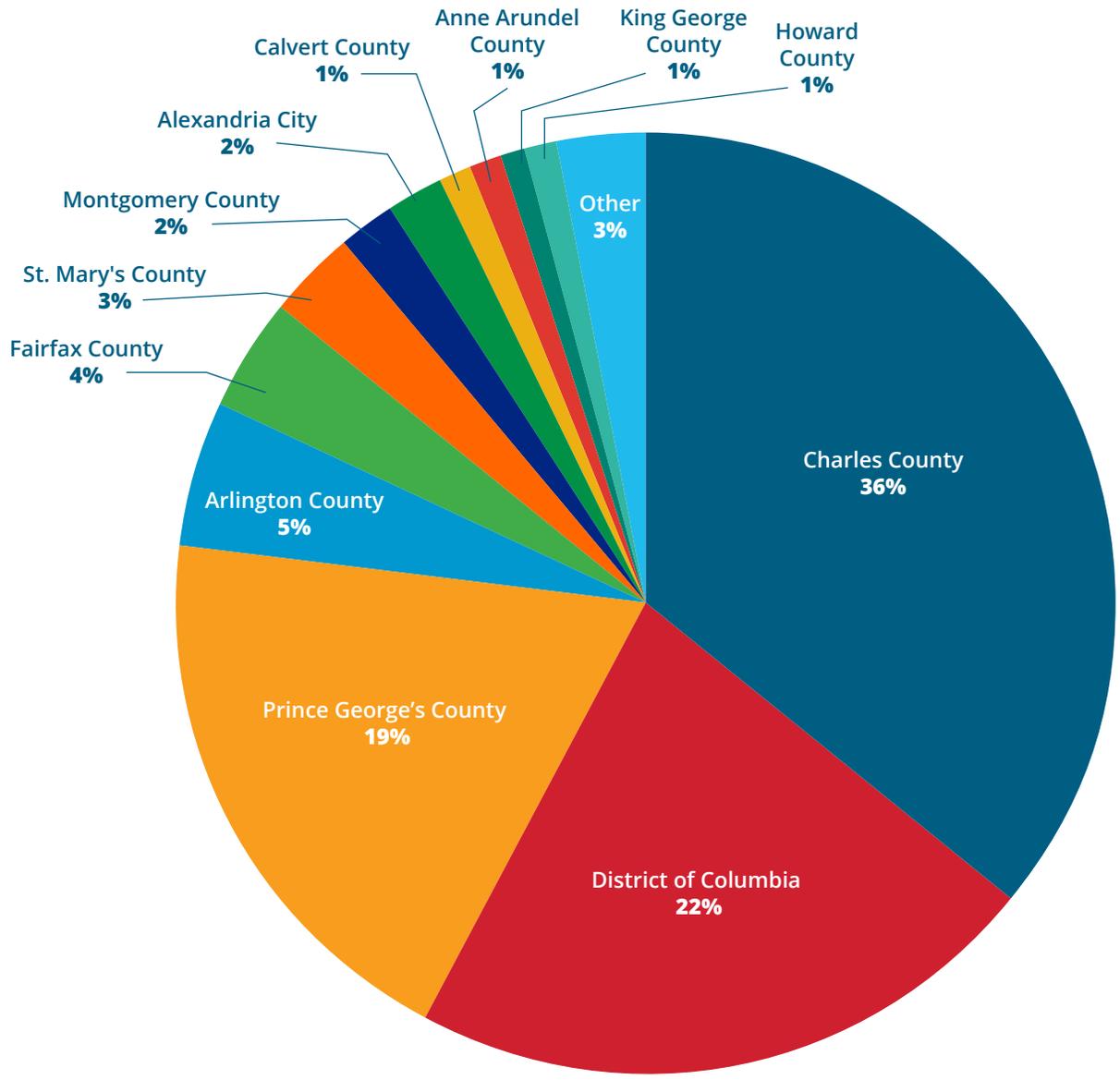
Source: Census Population Estimates, 2015.

Gender Breakdown



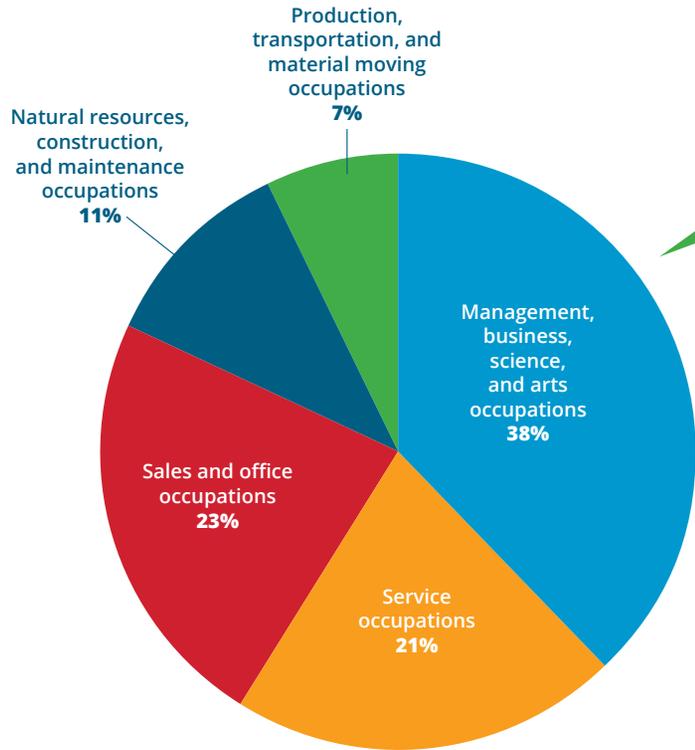
Source: Census Population Estimates, 2015.

Where Charles County Residents Work



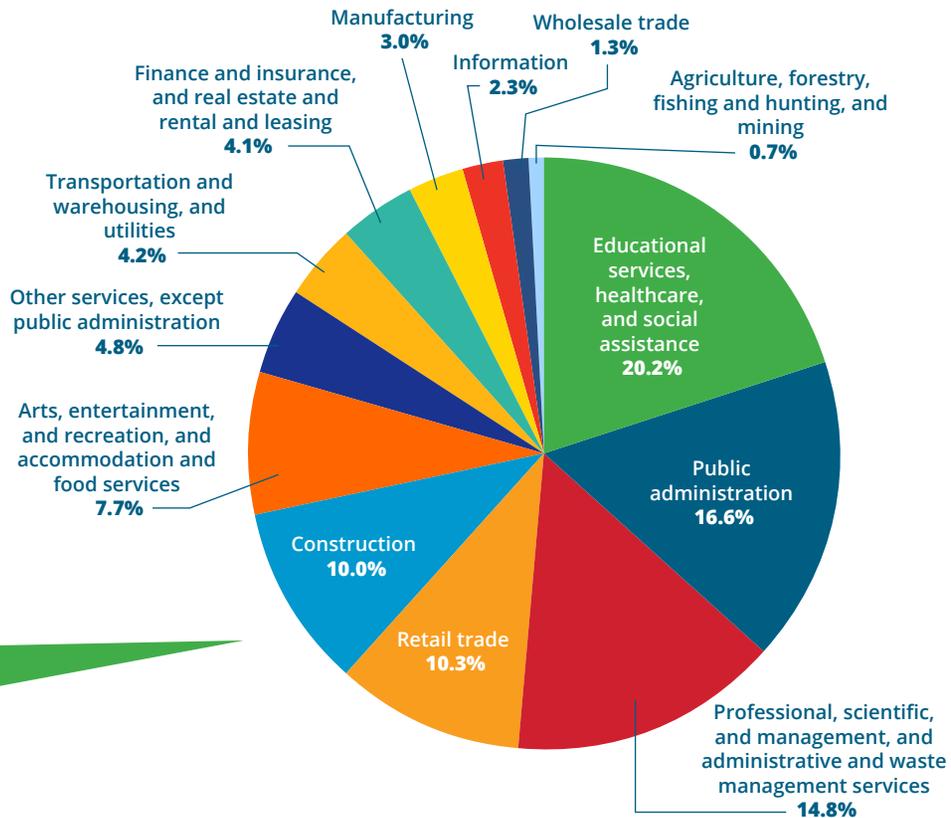
2015 Civilian Labor Force
81,917
Charles County Residents' 16 Years and Older

Occupations of the Civilian Employed Population 16 Years and Older



Source: US Census Bureau, American Community Survey, 1-Year Estimates, 2015.

Industries of the Civilian Employed Population 16 Years and Older



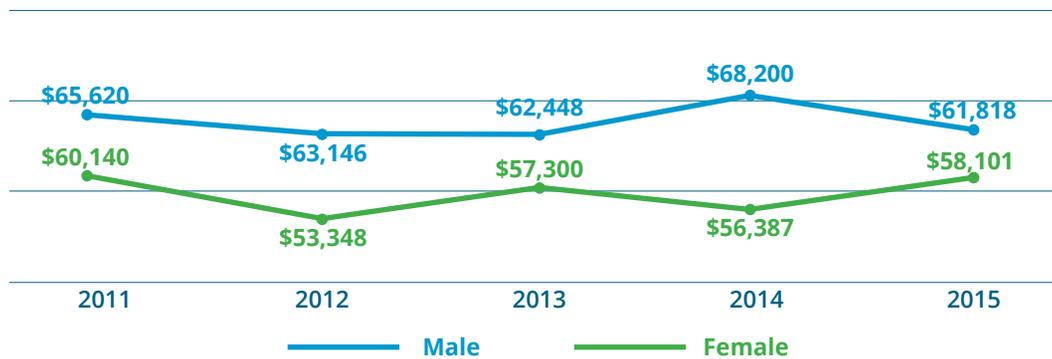
Source: US Census Bureau, American Community Survey, 1-Year Estimates, 2015.

Median Earnings For All Workers



Note: All Workers includes part-time, seasonal and year-round workers
 Source: US Census Bureau, American Community Survey, 1-Year Estimates, 2015.

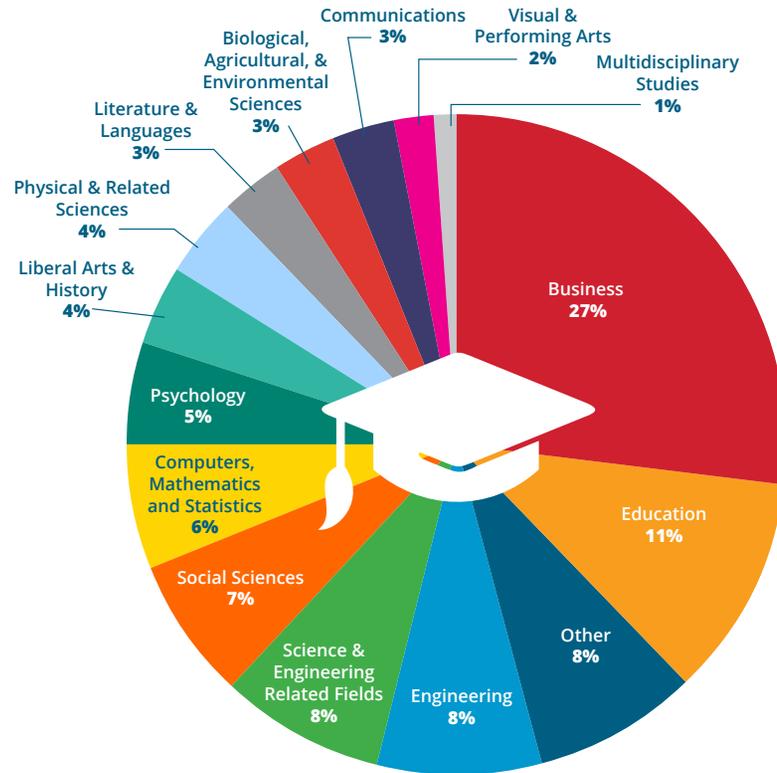
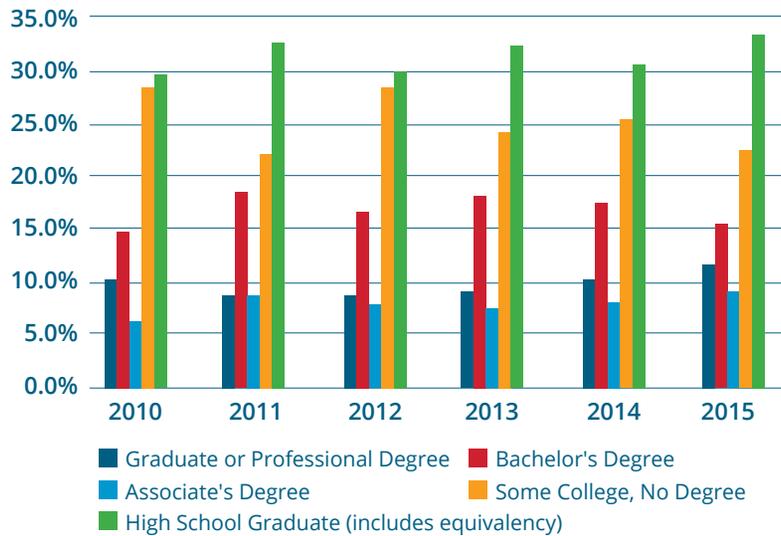
Median Earnings For Full-Time, Year-Round Workers



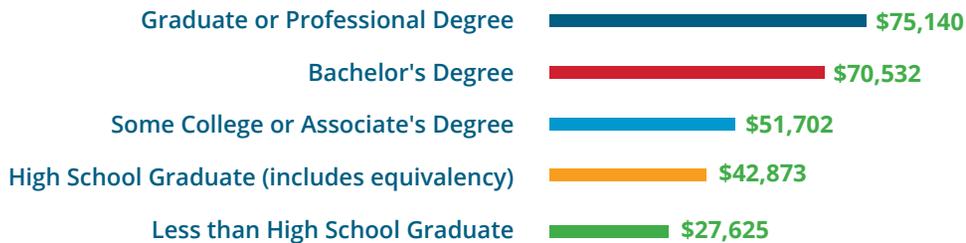
Source: US Census Bureau, American Community Survey, 1-Year Estimates, 2015.

Educational Attainment

Population 25 Years and Older



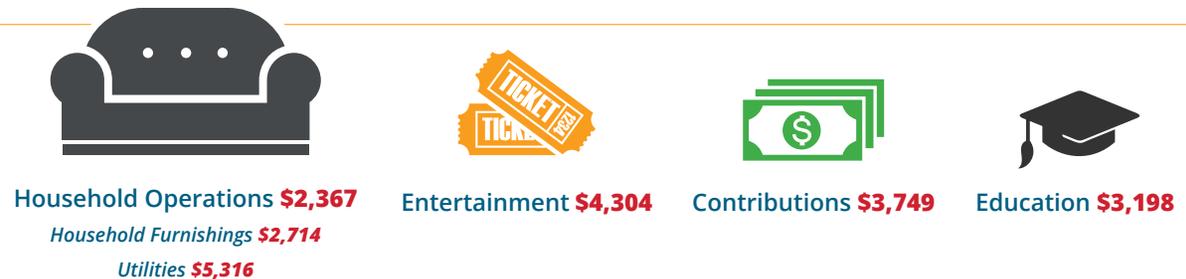
Median Earnings by Educational Attainment



Fields of Bachelor's Degrees

Source: US Census Bureau, American Community Survey, 1 Year Estimates, 2015.

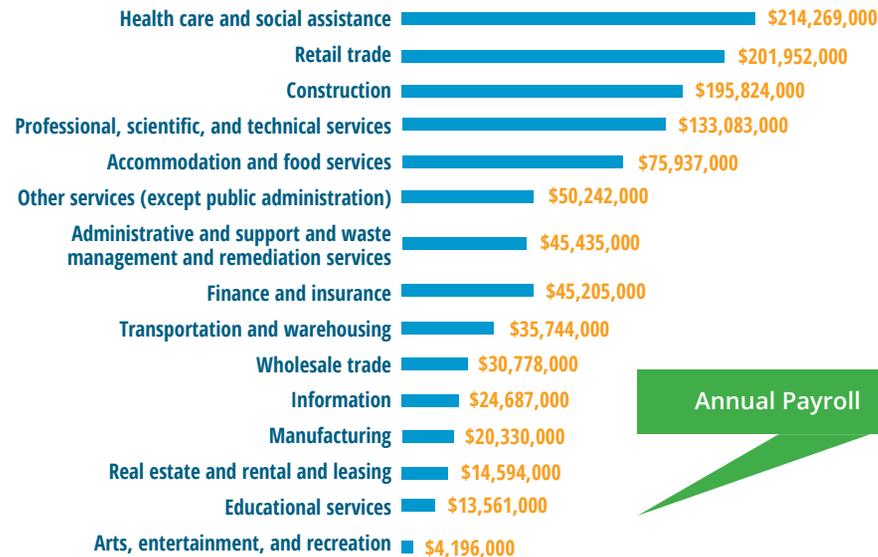
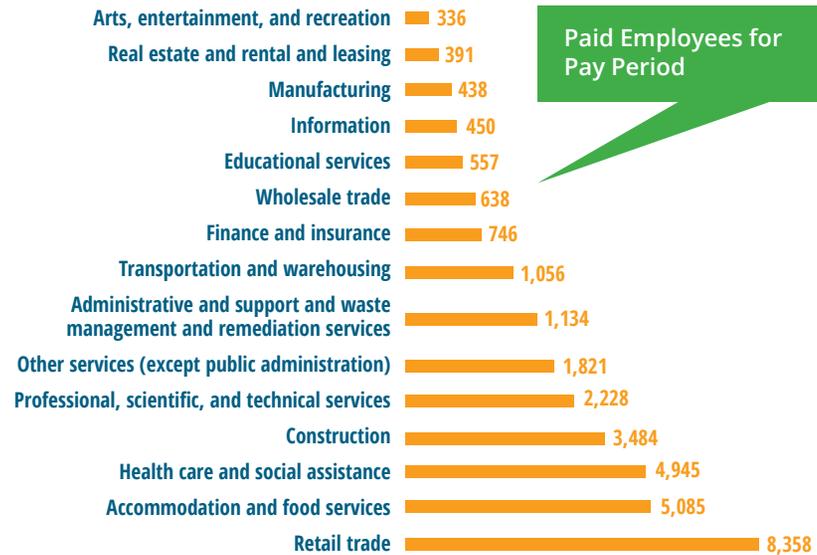
2016 Annual Household Expenditures



Total Household Expenditures: \$63,378

Charles County Business Patterns

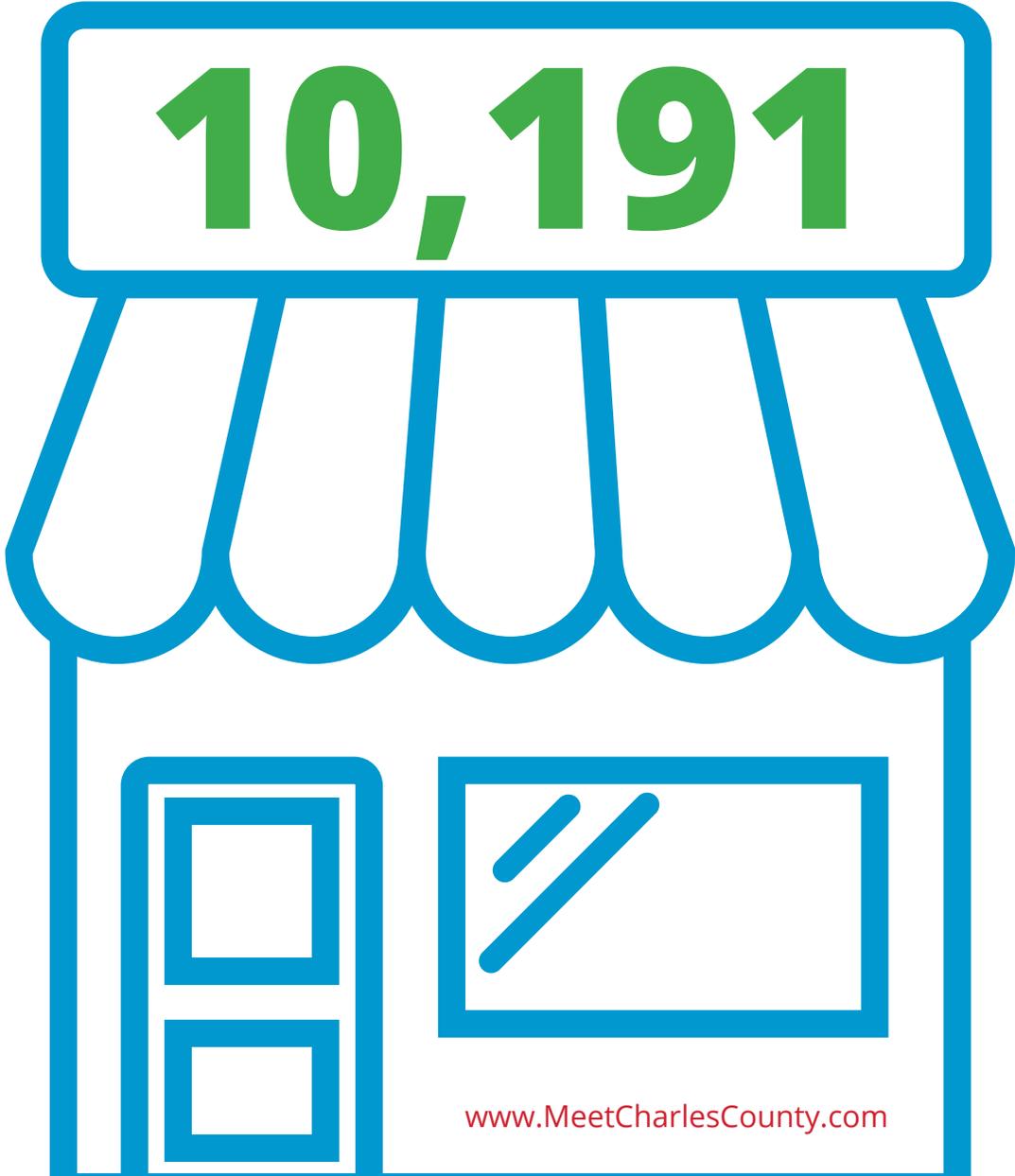
County Business Patterns is an annual series that provides county economic data by industry. This series includes the number of establishments, first quarter payroll, and annual payroll.



2014 Nonemployer Businesses in Charles County

Nonemployer statistics is an annual series that provides subnational economic data for businesses that have no paid employees and are subject to federal income tax.

Number of nonemployer establishments



10,191

2015 Charles County Employment



Professional and Business Services

Average # of Reporting Units

479

Annual Average Employment

3,118

Average Annual Wage Per Worker: \$60,008



Education and Health Services

Average # of Reporting Units

390

Annual Average Employment

5,277

Average Annual Wage Per Worker: \$42,744



Financial Activities

Average # of Reporting Units

245

Annual Average Employment

1,157

Average Annual Wage Per Worker: \$53,820



Information

Average # of Reporting Units

23

Annual Average Employment

297

Average Annual Wage Per Worker: \$63,648

Industry	Average Number of Reporting Units	Annual Average Employment	Average Annual Wage Per Worker
TOTAL EMPLOYMENT	2,894	42,064	\$43,056

GOVERNMENT SECTOR —TOTAL	103	9,578	\$60,216
Federal Government	27	2,205	\$94,692
State Government	9	577	\$39,728
Local Government	67	6,796	\$50,752

PRIVATE SECTOR TOTAL — ALL INDUSTRIES	2,791	32,486	\$38,012
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GOODS-PRODUCING	440	4,305	\$56,004
Natural Resources and Mining	9	44	\$45,032
Construction	367	3,612	\$57,096
Manufacturing	64	649	\$50,596
SERVICE PROVIDING	2,350	28,181	\$35,256
Trade, Transportation, and Utilities	654	10,945	\$32,708
Information	23	297	\$63,648
Financial Activities	245	1,157	\$53,820
Professional and Business Services	479	3,118	\$60,008
Education and Health Services	390	5,277	\$42,744
Leisure and Hospitality	298	5,874	\$15,756
Other Services	261	1,513	\$32,344

Survey of Minority, Women and Veteran Businesses



Veteran Owned Businesses

1,487

Number of Firms with or without Paid Employees

Total Revenue
\$230,185,000

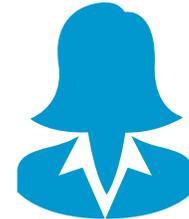


Minority Owned Businesses

5,024

Number of Firms with or without Paid Employees

Total Revenue
\$601,254,000



Female Owned Businesses

4,220

Number of Firms with or without Paid Employees

Total Revenue
\$429,373,000

NOTES:

**Firms are included in all categories they qualify.*

Fiscal Year 2015 Employment Data

Command/Activity	Federal Civilian Employees	Military Personnel	Contractor Employees**
Naval Support Activity South Potomac*	475	24	5
NSWC Indian Head EOD Technology Division****	1,576	2	328
Chemical Biological Incident Response Force	4	496	11
Naval Ordnance Safety & Security Activity	57	4	21
Naval Sea Logistics Center, Indian Head	36	0	3
NAVFACWASH, PWD South Potomac Indian Head Site	149	4	3
Branch Medical Clinic	2	24	3
NAVSUP Fleet Logistics Center	7	0	1
Navy Exchange	9	0	0
EMPLOYMENT TOTAL BY CATEGORY	2315	554	375
BASE EMPLOYMENT GRAND TOTAL	****3244		

NOTES:

* NSASP totals include NSF Dahlgren and NSF Indian Head.

** Contractor personnel utilizing on- and off-base work spaces.

*** NSF Indian Head site only; military count does not include military personnel assigned to, but not funded by NSWC IHEODTD.

**** Base employment is increasing primarily due to job growth at NSWC IHEODTD.

Fiscal Year 2015 Economic Impact Summary

Command/Activity	Civilian Payroll	Military Payroll	FY15 Budget Authorization	Total Contracts	Local Contracts
Millions					
Naval Support Activity South Potomac**	17.8	0.98	16.1*	0.78*	0.0
NSWC Indian Head EOD Technology Division***	194.6	0.371	757.74	440	21
Joint Interoperability Test Command	7.5*			22.7*	
Marine Corps Chemical Biological Incident Response Force	0.43	1.5	14.1	1.8	0.3
Naval Ordnance Safety & Security Activity	11.6	0.402	27.7	2.3	0.018
Naval Sea Logistics Center, Indian Head	3.6		23.2	0.6	0.006
NAVFACWASH, PWD South Potomac, Indian Head Site	11.2	0.6	0.42	22.4	18
Branch Medical Clinic	1.0*	1.7*	2.68*		
NAVSUP Fleet Logistics Center	0.3*				
Navy Exchange	0.15				
Financial Totals by Category	248.18	5.553	841.94	490.58	39.324

NOTES:

* FY15 data not available. Totals for FY12, FY13 and FY14 are included to provide a more comprehensive summary.

** Naval Support Activity South Potomac numbers encompass both NSF Indian Head and NSF Dahlgren.

*** NSF Indian Head site only; military payroll does not include personnel assigned to, but not funded by NSWC IHEODTD. Total and local contract dollar figures from FY14 report were not accurate.

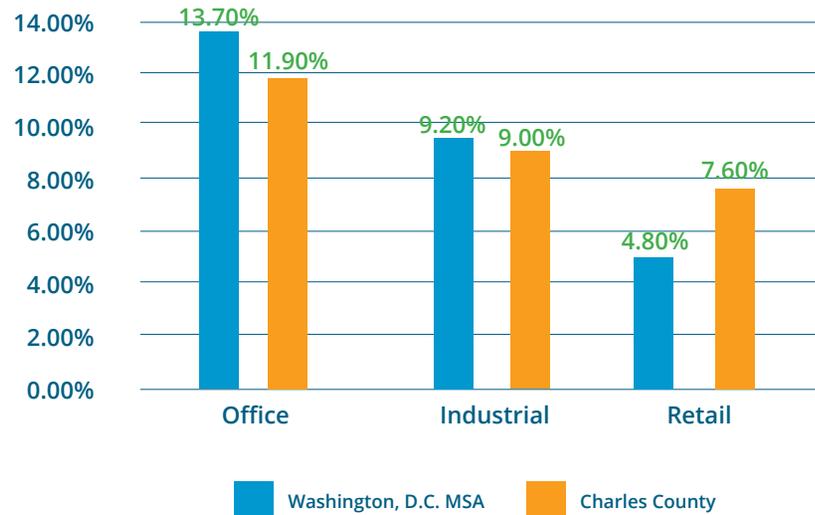
Charles County Commercial and Residential Real Estate Market

Office 3Q 2016		
Availability	3Q 2016	5-Year Avg
Gross Rent Per SF	\$22.55	\$20.52
Vacancy Rate	10.90%	11.50%
Vacant SF	303,585	311,750
Availability Rate	12.20%	13.80%
Available SF	339,974	376,042
Sublet SF	1,350	129
Months on Market	18.1	15.7

Industrial 3Q 2016		
Availability	3Q 2016	5-Year Avg
Rent Per SF	\$7.13	\$7.06
Vacancy Rate	8.20%	6.90%
Vacant SF	354,682	296,009
Availability Rate	19.10%	14.70%
Available SF	825,071	631,719
Sublet SF	0	0
Months on Market	18.4	13.8

Retail 3Q 2016		
Availability	3Q 2016	5-Year Avg
NNN Rent Per SF	\$17.66	\$15.65
Vacancy Rate	7.10%	7.60%
Vacant SF	723,621	765,433
Availability Rate	9.00%	8.80%
Available SF	913,244	894,086
Sublet SF	6,387	6,446
Months on Market	25.1	19.9

Vacancy Rate



Housing Market Statistics			
	2014	2015	% Change
Sold Dollar Volume	\$500,795,192	\$633,846,446	26.6%
Avg Sold Price	\$256,555	\$268,352	4.6%
Median Sold Price	\$249,900	\$257,628	3.1%
Units Sold	1,952	2,362	21.0%
Avg Days on Market	85	80	-5.9%
Avg List Price for Solds	\$260,004	\$271,430	4.4%

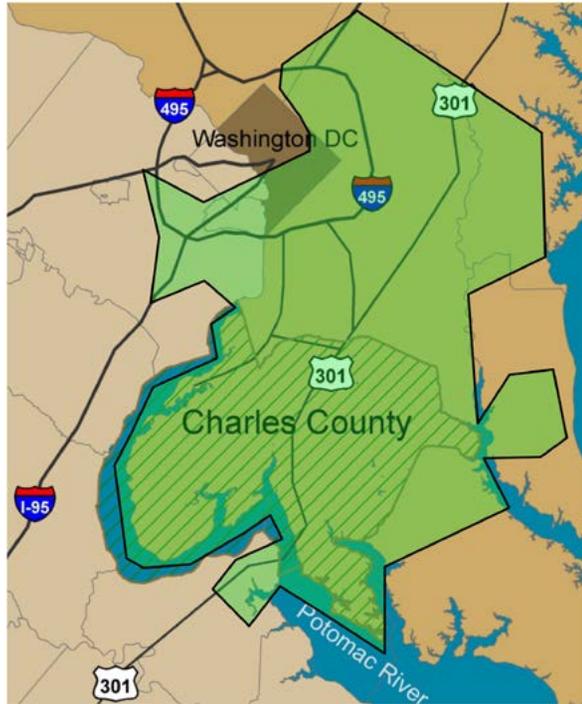
Top Commercial Deals in 2015

Sale Price	Sale Date	Property Name	Property Address	Building SF	Zoning	Price Per SF	Buyer (True) Company	Seller (True) Company
\$18,335,029	4/2/15	Giant	200-234 Rosewick Rd (Part of Multi-Property Sale)	85054	CH	215.57	Phillips Edison Grocery Center REIT II, Inc	Excel Trust, Inc.
\$13,249,018	1/12/15	La Plata Shopping Center	6505-6655 Crain Hwy (Part of Multi-Property Sale)	72851	CH	181.86	JBG Rosenfeld Retail Properties	Mote Management Company Inc
\$11,550,000	10/30/15	Cambridge Professional Center	3510 Old Washington Rd	41493	RO	278.36	Physicians Realty Trust	Not Available
\$9,200,000	4/30/15	Bryans Road Center	3041-3129 Marshall Hall Rd	170803	CRR	53.86	Stewart Commercial Realty Services, LLC	William C Eacho III
\$6,785,000	12/22/15	All American Harley Davidson	8126 Old Leonardtown Rd	29170	CV	232.6	Bayside Toyota	Donald E. Smolinski
\$6,225,000	12/2/15	Walgreens	25 High St	14490	PUD	429.61	Not Available	Goodman Properties
\$5,000,000	1/8/15	Tractor Supply Co #777	10795 Wawa Ln	22670	CC, County	220.56	Bahman Shahkarami	Malcolm David & Associates
\$4,797,243	12/8/15	Free Standing Property	207 St Mary's Ave	2090	CBT	2295.33	Community Bank Of The Chesapeake	Arehart-Echols Funeral Home, P.A.
\$3,600,000	4/30/15	Waldorf Asphalt	12250 Acton Ln	7744	IG	464.88	Reliable Contracting Co. Inc.	LaFarge North America



Commutershed Zone Data

0 - 45 Mins Commute zone: Intersection of Rt. 301 and Rt. 228, Waldorf, MD



Over 1.8 million

people within a 45 minute commute

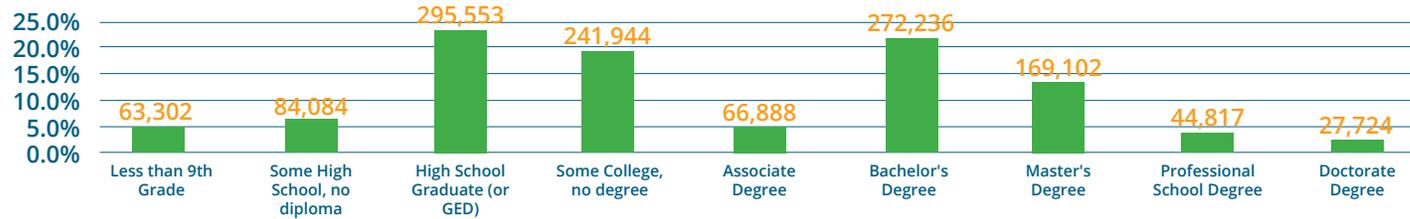


2016 Population Age Distribution

Commutershed Zone Data

0 - 45 Mins Commute zone: Intersection of Rt. 301 and Rt. 228, Waldorf, MD

2016 Estimated Population Age 25 and Older by Educational Attainment



45.9%

of people have associate degree or higher

2016 Estimated Employed Population Age 16 and Over by Occupation	959,707	100%
Office and Administrative Support	135,626	14.1%
Management , Including Farmers and Farm Managers	112,899	11.8%
Business and Financial Operations	77,658	8.1%
Sales and Related Occupations	75,801	7.9%
Computer and Mathematical	54,856	5.7%
Education, Training, and Library	52,955	5.5%
Food Preparation and Serving Related	45,962	4.8%
Transportation and Material Moving	45,503	4.7%
Construction and Extraction	44,188	4.6%
Protective Service	39,473	4.1%
Healthcare Practitioners and Technical	38,334	4.0%
Building and Grounds Cleaning, and Maintenance	37,663	3.9%
Service : Personal Care and Service	33,345	3.5%
Legal	30,770	3.2%
Arts, Design, Entertainment, Sports, and Media	25,242	2.6%
Installation, Maintenance, and Repair	22,969	2.4%
Healthcare Support	21,725	2.3%
Community and Social Services	17,387	1.8%
Architecture and Engineering	16,900	1.8%
Production	15,925	1.7%
Life, Physical, and Social Science	13,441	1.4%
Farming, Fishing, and Forestry	1,082	0.1%

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