

ECONOMIC DEVELOPMENT

INTRODUCTION

Providing jobs and the necessary means to enter and advance in the work force is the subject of the Economic Development Chapter of the Comprehensive Plan. It considers such things as the existing and desired job mix, the level and diversity of job training, the appropriate level of government involvement in attracting major employers, and the future of the downtown as a provider of jobs.

BACKGROUND

The 1997 Comprehensive Plan noted that the Economic Development Chapter of any Plan generally relies fairly heavily on Tables, Graphs, and Charts. Highlights from three tables included in the 1997 Plan from the 1990 Census include:

- o Income was significantly lower and poverty significantly higher in Easton than in either Talbot County or the State of Maryland.
- o While Talbot County exceeded the State Median Income, Easton did not.
- o Poverty levels in Easton were high across all age groups.
- o Easton exceeded both the State and Talbot County in percentage of students enrolled in Private Schools.
- o The percentage of both high school and college graduates was lower in Easton than in either Talbot County or the State.
- o Both Talbot County and Easton had lower unemployment rates than the State, although the County's was much lower than Easton's.
- o The percentage of Easton Residents who used carpools in order to get to work was higher than both Talbot County's and the State's.

- o Public Transportation usage was almost non-existent in Easton and Talbot County.
- o Easton had a very high percentage of females with young children in the labor force.

The 1997 Plan suggested that some immediate implementation options come to mind in reviewing this list. For example, with relatively high poverty and low education levels, greater exposure to high school equivalency or GED classes seems appropriate. Second, with a high percentage of workers willing to use carpools, but with almost no public transportation available, it seems as if Easton residents might be more inclined to support some sort of public transportation than might be the case in other rural communities where usage rates are generally quite low. Finally, the high percentage of working mothers suggests a need for more day care opportunities and perhaps other support services for young children and their parents.

Those figures were from the 1990 Census. Table 13 summarizes the available economic data from the 2000 Census. There are some changes. For example according to the Census Talbot County went from exceeding the State median income in 1990, to being less than the State in 2000.

Table 13 - Select Economic Characteristics

	EASTON	TALBOT CO.	MARYLAND
PER CAPITA INCOME (1999)	\$21,250	\$28,164	\$25,614
MEDIAN INCOME (1999)			
HOUSEHOLDS	\$36,464	\$43,532	\$52,868
FAMILIES	\$48,825	\$53,214	\$61,876
INDIVIDUALS W/ INCOME IN 1999 BELOW POVERTY LEVEL			
ALL AGES			
NUMBER	1,314	2,771	438,676
PERCENT	11.8	8.3	8.5
RELATED CHILDREN			
UNDER 18 YEARS			
NUMBER	383	755	135,892
PERCENT	15.0	10.5	10.3
5-17 YEARS			
NUMBER	303	574	95,561
PERCENT	16.4	10.5	9.8
PERSONS 65 YEARS AND OVER			
NUMBER	229	520	48,854
PERCENT	12.3	7.9	8.5
FAMILIES WITH INCOME IN 1999 BELOW POVERTY LEVEL			
NUMBER	199	510	83,232
PERCENT	7.0	5.3	6.1

Source: 2000 Census, U.S. Census Bureau

Table 14 below provides a broader comparison of Easton, Talbot County, and the State of Maryland in a number of economic and non-economic characteristics.

Table 14 - Comparison of Easton, Talbot County and State of Maryland in Selected Demographic Characteristics from the 2000 Census			
Subject	Easton	Talbot County	Maryland
Total Population	11,708	33,812	5,296,486
% Male/Female	45.7/54.3	47.7/52.3	48.3/51.7
Median Age	38.6	43.3	36.0
% < 18	23.6	21.7	25.6
% 65+	19.2	20.4	11.3
% White	71.8	82.0	64.0
% Black or African American	23.5	15.4	27.9
Total Households	5,031	14,307	1,980,859
Average Household Size	2.22	2.32	2.61
Total Housing Units	5,399	16,500	2,145,283
% Owner-occupied	53.6	71.6	67.7
% High School Graduate or higher	81.4	84.4	83.8
% Bachelor's Degree or higher	23.4	27.8	31.4
% born in MD	64.7	62.4	49.3
Average (mean) commute	19.0 minutes	22.4 minutes	31.2 minutes
Median Household Income	\$36,464	\$43,532	\$52,868
Median value of owner-occupied homes	\$118,800	\$149,200	\$146,000
% lived in home 10+ years	25.3	37.3	36.5
Growth Rate (%) in 90's	24.9	10.7	10.8

DIVERSITY

The concept of diversity in the Economic Development Strategy of Easton is vital for many reasons. The most obvious is the desire to avoid over-reliance on any one business or type of industry. This recently took on renewed importance in Easton with the announcement that Black and Decker, one of the Town's largest employers, would be ceasing operations in 2003. Without a diverse economy, this could be devastating to Easton's local economy.

The concept of diversity becomes especially important in tough economic times. In 2009, as of the drafting of this Update in April, Easton has lost an Automobile Dealership, Bob Smith Automotive, and a printing company, Cadmus. Cadmus was a major employer for an industry that is quickly losing its presence in the United States, however; Cadmus' employees were well-trained and very good in the specialty work that they performed. Thus there is a relatively skilled (and specialized) workforce out-of-work in Easton. Bob Smith Automotive provided automotive goods and services and served as a significant employer in the Town. Both businesses will be sorely missed, but fortunately the Town did not have all of its economic eggs in either of those businesses or even in those particular sectors of the economy. If we had made the mistake in focusing too singularly on the printing and publishing business or in automobile dealerships, we would be in an even worse situation today.

Furthermore, as unfortunate as it is to lose two major employers like Cadmus and Bob Smith Automotive, it does present an economic development opportunity. It appears (as of the Drafting of this Plan in September of 2009) that the Bob Smith property has been purchased by another automobile sales business and will reopen as such in the not-too-distant future. The Cadmus site is somewhat more challenging in that it was built for a business that is in low-demand today. Additionally it is not in a traditional industrial

location. However the space appears to be flexible enough to be suited to adaptive reuse for a number of possible businesses or industries. It is also located in an area characterized by medically-related uses and elder-care. Something that fits in with these types of uses would certainly be compatible.

An important and growing segment of Easton’s economy is tourism. Diversity is important to this segment as well. Simply put, the more things there are to do in Easton, the more tourist-appeal the Town has. Similarly, the more Easton differs from other communities in our region, the more it stands out from those communities and thus the more attractive it becomes to the tourist looking for something a little different.

The level of diversity in the local job base is illustrated by the following list of businesses in Easton with more than 80 employees:

<u>Business</u>	<u>Number of Employees*</u>
Shore Health System	1,700
Shore Bancshares	350
William Hill Manor, Inc.	300
Quality Health Strategies	250
Wal-Mart	220
The Pines-Genesis Eldercare	186
Pro Temps Staffing Solutions	175
Global Strategies, Defense Eng.	150
Acme Markets	145
Chesapeake Publishing Corp.	140
Giant Food	135
Lowes Home Center, Inc.	130
McDonald’s	119
Wildlife International, Ltd.	95
Celeste Packaging	90
Sea Watch International	80

* - Based on data supplied by the Talbot County Economic Development Officer, September 23, 2009

This table indicates the relatively small number of major employers in Easton. With a lack of such large-scale employers, Easton's job base is already fairly diverse in terms of number of employers. Future diversification might therefore be focused more on attracting different types of businesses.

One area which may play a significant role in Easton's future is Environmental Technology. This is due to the fact that this particular segment of the economy has been identified by the Talbot County Economic Development Commission as the future basis of Talbot's economy. Their ultimate goal involves Talbot County becoming something akin to the Research Triangle or the Silicon Valley of this type of business. Clearly, with an estimated 75-80% of the jobs in Talbot County being located in Easton, the Town would play a large role in hosting such companies.

DOWNTOWN

Easton's downtown (or Town Center as the area is sometimes described) is a tremendous community asset. Concern over its viability and its future are evident amongst not only the existing downtown business community, but also residents, visitors, and the Town Government.

Easton's downtown is unique in several respects. Most notably is that it continues to function as a healthy and vibrant center for entertainment, commerce, and government. So many downtowns today are either largely abandoned or are struggling to find an identity. Easton's downtown is also unique in that it has been wonderfully preserved at a time when many downtowns are physically deteriorating.

Concern over the future of downtown led the Mayor and Town Council to form the Easton Business Management Authority (EBMA) in 1993. This organization was founded to represent the business community of all of Easton and to work in partnership with the Town government on business issues. The impetus for forming the organization and the

group's initial focus was concern over the future of the downtown area. One of the first tasks of the group was to work with a consultant on a study of the downtown, or as it was renamed, the Town Center. The consultant, LDR International, Inc., submitted a Revitalization Strategy for the Easton Town Center in July 1994. This study included a number of recommendations ranging from simple policy changes to bold new physical improvements. EBMA has been working diligently with the Town to implement a number of these changes since 1994. Such things as the Farmer's Market, the revamped parking management, the more active and visible promotion of special events, and the hiring of a full time Executive Director for EBMA are all consistent with the Plan.

In 2000, rather than directly funding EBMA again, the Mayor and Council decided a different approach might better serve the Town. Eventually, they created a new Town Department Head-level position of Economic Development Manager. This position is responsible for assisting existing Town businesses and attracting new ones. The position also serves as the Town's Main Street Manager. Easton is also assisted by the Talbot County Economic Development Commission, the Chamber of Commerce and other business leaders in attracting and retaining business in the Town.

Easton was fortunate enough to be selected a Main Street Community in the program's initial year in Maryland. The Main Street program is both an honor recognizing the quality of Easton's downtown, as well as a tool to help ensure that it remains the special place that it is today. It does this by emphasizing a four-point approach to problem solving by looking at the downtown in terms of Organization, Design, Economic Restructuring, and Promotion. It is a tried and proven system that has worked in hundreds of communities across the nation and it should remain the foundation for downtown Easton's future economic development.

There are a great variety of opinions over what downtown Easton's future should include. One particular area which received a fair amount of attention in the last Comprehensive Plan, and which continues to grow as a key segment of Easton's economy, is tourism. Tourism continues to hold a great deal of potential for future economic development in Easton. Further, this type of economic development is particularly beneficial for the local community due to the spin-off effects associated with it. For example, say a family of four comes to Easton for a weekend. Besides the obvious impact they have on the economy by staying at a local hotel, other businesses such as restaurants, shops, museums and other attractions all benefit. Furthermore, the increased business realized by these establishments theoretically means that their owners and employees have more money to spend in the local economy. Thus a dollar generated by tourism has the potential to turn-over many times in Easton.

Tourism relates to the Downtown area in several ways. One, it is one of the destinations, undoubtedly the primary destination, for tourists who target Easton as a place to visit. Second and directly related to the first point, the Downtown is the location of many tourist-based uses like restaurants, lodging facilities, and cultural and entertainment uses.

One issue that comes up from time-to-time directly relates to the future of the Downtown and its role in attracting tourists. That is the appropriateness of franchises in this area. On the one hand franchises can fill a void in the Town. On the other hand, they can diminish Easton's uniqueness by helping to make the Town be much like so many other places. For this reason, the role of national franchises in downtown Easton is limited. When one can truly fill a need that local businesses are not meeting, they should be welcomed. However less emphasis should be placed on attracting franchises that would immediately or potentially compete against local businesses. For example, would Easton

be a more unique place with a Starbuck's or Coffee Cat? The Olde Town Creamery or TCBY? Ritz Camera or Hobby Horse? Obviously, the locally owned and operated businesses do more to define a special character than would a franchise that would have Easton be the site of their "store number 3,317." This is not say that such places should or even can be prohibited. They should not, however, be the focus of Easton's Economic Development Strategy.

Another aspect of Downtown is its role as a governmental center. Many Town and County offices and a handful of State offices are located in the Downtown. This is beneficial in a number of ways, plus it makes sense from the perspective of providing such services in the most centralized location in the County. The presence of these government facilities also provides a reliable base of customers for potential downtown businesses. They also attract businesses that rely on frequent interaction with government, such as attorneys, civil engineers and surveyors, title companies, etc...

The Downtown should remain the focal point of governmental activity. In fact, where possible this role should be expanded. Future government offices should be located in the Downtown and in as close proximity to existing offices as possible to develop a true government office complex campus.

Downtown plays such an integral part in what makes Easton unique that from time to time various plans and strategies for its maintenance, preservation, and improvement have been prepared. Earlier the 1994 Plan prepared by LDR International was mentioned. This served the Town well for a number of years, but was becoming outdated. This led to a 2008 Plan by AKRF and Streetworks, LLC. entitled the "Easton Downtown Plan for Infill Development. As the title suggests its focus is on infill development, identifying infill opportunities, suggesting appropriate design standards, and suggesting a number of new projects. Generally speaking it consists of the following ten strategies:

- Enhance Marketing, Branding and Merchandising
- Define Downtown's Edge/Create a Green Ring Around Downtown
- Daylight Tanyard Branch
- Reconnect the Northern and Southern Parts of Downtown
- Focus on Filling-in Building Gaps and Activating the Street at Ground Level
- Strengthen the Existing Retail Core
- Create Contextual and Compatible Development
- Encourage Downtown Residential Development
- Create a Unified Parking Strategy and Parking District
- Coordinate Open Spaces

The Implementation Priorities of this Plan are summarized in the following table:

RECOMMENDATION	TIME FRAME	COST FACTOR	COST RANGE	SPONSOR/COMMENTS
BRANDING AND MERCHANDISING				
Establish dynamic retail inventory	Immediate	low	\$0 to \$10,000	Merchants Association, Historic Easton, Town
Establish working group to track merchandising opportunities	Immediate	low	\$0 to \$10,000	Merchants Association, Historic Easton, Town
Conduct annual merchants/property owners workshop	Short-term	medium	\$25,000	Merchants Association, Historic Easton, Town
GREEN RING IMPLEMENTATION				
Conduct feasibility and design studies for streets	Mid-term	medium	\$50,000 to \$75,000	Town, seek to leverage with transportation infrastructure improvements
Conduct feasibility and design studies for Tanyard Brook	Short-term	high	\$100,000 to \$300,000	Town, seek environmental enhancement grants
Implement capital improvements for Green Ring	Long-term	high	To be determined	Town, seek to leverage with other infrastructure investments
TRAFFIC, PARKING, CIRCULATION				
Crosswalk enhancement and signal improvement study	Short-term	medium	\$25,000 to \$50,000	Town
Crosswalk enhancement and signal implementation	Mid-term	high	\$50,000 to \$100,000	Town, seek to leverage with other transportation improvements
DESIGN GUIDELINES/INFILL DEVELOPMENT STRATEGIES				
Use guidelines and concepts to work with and review development proposals	Immediate	low	\$0 to \$10,000	Town, Historic Easton
Refine and codify design guidelines	Short-term	medium	\$10,000 to \$50,000	Town, consider visual or form-based code
REVISE/AMEND HISTORIC DISTRICT RESOURCES INVENTORY				
Use study inventory to implement amendments as appropriate	Short-term	low	\$10,000 to \$50,000	Historic Easton, Town

The Easton Downtown Plan for Infill Development is essentially an extension of this Comprehensive Plan. It simply plans for a smaller area and as such can do so in more detail and look into issues more specifically relevant to that area.

One such issue is parking. Parking has been raised as a concern in Easton probably since shortly after the introduction of the automobile to our Town streets. Through the years, numerous studies have been conducted on this issue. They have generally and fairly consistently found that Downtown overall has a more than adequate supply of parking, but that it could potentially be utilized more efficiently by changes to the management of the spaces. These include things like changes to the mix and/or location of metered/free/permit parking, policies regarding maximum length of parking, etc.

While the need for structured parking (i.e. a garage) has never been established, the most recent AKRF study anticipates a significant amount of new parking demand and therefore the likelihood of needing a garage increases. Their study identifies two locations for potential parking garages, one to the east of Talbottown and one on the Town-owned parking lot across the street from Town Hall.

HISTORIC AND CULTURAL TOURISM

As mentioned previously, tourism plays a vital role in the economy of Easton and Talbot County and obviously the Eastern Shore in general. Eastern Shore Heritage Inc. (ESHI) is a partnership of government, business and civic organizations and individuals dedicated to promoting the historic, cultural, economic and natural resources of Caroline, Kent, Queen Anne's and Talbot Counties. A management action plan has been prepared to help the four counties and the various municipalities work together and complement each other's resources. This management action plan enabled ESHI to become a Certified Heritage Area and become eligible for tax credits which can be used to further promote ESHI's mission. There are eight interpretive themes that have been identified for heritage

tourism development. Easton is particularly rich in several of these themes, including Colonial and Early National History, Religion, African American Heritage and Small Town Life. Support of ESHI by the Town can only increase the local tourism economy.

According to the Management Plan:

Stories of the Chesapeake Heritage Area has offered a significant new way to bind the region as a whole. It has stimulated effective regional cooperation to preserve community character and historic resources, and to undertake economic development relating to tourism, the arts, agriculture, and maritime industries. Residents and officials recognize that heritage tourism and preservation are key factors in economic sustainability, bringing increased prosperity, increased property values, new jobs, more entrepreneurs and economic diversity, community pride and care, and revitalized downtown cores that are vibrant and alive.

The Town of Easton is part of the Stories of the Chesapeake Heritage Area and thus obviously supports its mission and goals. Cultural tourism has the potential to play a major role in the future economic development of the Town.

ECONOMIC DEVELOPMENT GOALS AND OBJECTIVES

GOAL: To nurture a healthy and diverse local economy in Easton.

OBJECTIVES:

- ✓ Promote tourism by making Easton a vacation and leisure time destination.
- ✓ Continue to provide Town funding for Economic Development.
- ✓ Work with Talbot County to develop a training program to ensure that Easton's workers are adequately prepared for our job market and that Easton's businesses can hire workers with the proper training.

- ✓ Encourage the diversification of Easton's industrial base and work to reuse existing underutilized industrial and commercial buildings.
- ✓ Prepare for emerging technologies such as computers, telecommunications, and medical/biotechnology by ensuring that the necessary infrastructure is in place to support these industries.
- ✓ Work to retain and expand existing businesses and industries.
- ✓ Work with Eastern Shore Heritage Inc. to help promote Easton as a destination for heritage tourism as part of the Stories of the Chesapeake Heritage Area.
- ✓ Revise Easton's Zoning Map to ensure that there is an adequate supply of land zoned for the types of businesses we are seeking to attract and evaluate the standards of the Ordinance to ensure that the mapped zoning districts allow these uses.
- ✓ Provide the infrastructure necessary to attract desirable businesses and enable our existing businesses to grow and prosper. This should include the wide-scale availability of broadband internet service which is in the process of being made available throughout the Eastern Shore. Town/EUC officials should do whatever is necessary to ensure that this project is completed to fruition here in Easton.

GOAL: To maintain and, where necessary, recreate a vital Downtown.

OBJECTIVES:

- ✓ Protect the historic character of Easton and support projects and efforts which enhance that character.
- ✓ Support projects that implement the Downtown Plan for Infill Development.

- ✓ Seek grant funding for Town projects recommended in the Downtown Plan for Economic Development.
- ✓ Reinvigorate the Main Street Easton Board of Directors and associated committee structure.
- ✓ Publicize the availability of State and federal tax credits for Historic Preservation and the use of Maryland Smart Codes as a means to rehabilitate historic structures.
- ✓ Encourage national franchises that meet an unfilled need to locate in Downtown Easton.
- ✓ Discourage national franchises that will directly compete with existing locally owned and operated businesses from locating in Downtown Easton.
- ✓ Encourage infill development and commercial rehabilitation and redevelopment in the Downtown as the top priority for future commercial development. The next priority involves redevelopment of those shopping centers located in close proximity to the Town Center followed by those more removed from Downtown. The final and least desirable priority is for new development on Greenfield sites located remote from the Downtown.

GOAL: To work cooperatively with Talbot County to provide an efficient Economic Development Program.

OBJECTIVES:

- ✓ Coordinate the goals and activities of Easton's Economic Development Program with those of the Talbot County Economic Development Commission and the County Tourism Board in order to avoid duplication of effort.

- ✓ Support Talbot County's Economic Development policy of targeting Environmental Technology companies.
- ✓ Work with Talbot County on Economic Development issues of mutual interest, including the development of a collaborative marketing strategy.

GOAL: To strengthen the government services segment of the Downtown Easton economy.

OBJECTIVES:

- ✓ Locate all future Town of Easton governmental services (with the exception of Public Works Facilities) in the Downtown.
- ✓ Encourage Talbot County to locate future County governmental offices in the Downtown.
- ✓ Initiate discussions with the State to locate a State Government multi-service center in Downtown Easton.