



FREDERICK COUNTY GOVERNMENT

Jessica Fitzwater
County Executive

DIVISION OF PLANNING & PERMITTING

Livable Frederick Planning & Design Office

Deborah A. Carpenter, AICP, Division Director

Kimberly Gaines, Director

Investing in Workers & Workplaces Advisory Group Meeting 3 June 11, 2024 Meeting Minutes

I. Meeting Details

Meeting date and time: Tuesday, June 11, 2024, at 2:00 PM

Meeting location: Workforce Services, 200 Monroe Avenue, Frederick, MD

II. Attendance

Advisory Group members present: Andrew Brown, Chris Smariga, Danielle Adams, Brian Morris, Lisa Graditor, Karen Cannon, Don Pleasants, Eric Soter, Matt Holbrook, Tony Checchia, Brian Sweeney

Advisory Group members absent: Louise Kennelly, Taylor Davis, Kai Hagen

County staff: DPP: Kimberly Gaines, Denis Superczynski, Karin Flom, Andrew Stine; DEO: Beth Woodring, Patty McDonald, Latrice Lewis; Office of Agriculture: Katie Stevens, Shannon O'Neil

III. Call to Order

Denis Superczynski brought the meeting to order at 2:05 PM and welcomed the advisory group members and guests. Staff and advisory group members introduced themselves.

IV. Purpose of the Plan

Denis reminded the group of the purposes of this plan, which include: expanding the non-residential tax base; being selective and prioritizing targeted industries; having an adequate supply of land developable for employment sites; and maintaining the character of the County.

V. Continued Opportunities and Threats Discussion

It was suggested that the various challenges be grouped or categorized. One category is properties that are already zoned for development but have not yet been developed. The group discussed some of the issues with these properties, including: ORI as an outdated land use and zoning designation; lack of infrastructure to support development; high interest rates for development loans; high construction costs; and there currently being no speculative loan making for development in the current market. It was also noted that competition is more widespread geographically than it has been in the past, particularly for the life science industry.

The idea of establishing an acreage goal for employment land was raised. It was noted that new employment areas should be established near where people live – closer in to take advantage of the infrastructure that is already in place.

Speed to market was discussed, along with the durability of approvals for site plans, subdivisions, and adequate public facilities. The use of water/sewer escrow accounts for infrastructure improvements was discussed. It was noted that this approach is currently used for transportation improvements.

Concern about the data center industry as a threat to other industries was expressed. It was noted that this use is absorbing a lot of land and that our tax structure is different than that of Loudon County, Virginia, so the financial benefits are not the same. It was noted that there is a resource cost associated with data centers, as they use a lot more power and water than other industries. How can the County add developable land to the inventory and ensure that it is available for other uses? Targeting the municipalities for development was discussed, though it was noted that utilities are an issue for some of our municipalities.

VI. Continued Baseline Data

Beth Woodring summarized highlights from the State of Site Selection document that was provided to the advisory group. Key site selection factors include workforce and labor availability, utilities, and the availability of development ready sites. Social factors like healthcare resources, affordable housing, and Diversity, Equity, and Inclusion issues were also cited as important factors.

Beth Woodring summarized the prospect report for the Office of Economic Development. There are 92 active prospects, 45 of which are expansion projects for businesses that are already located in the county and 47 are location projects. Ms. Woodring noted the full range of square footage being sought, with projects at both ends of the size spectrum. Ms. Woodring noted that large projects on the attraction side are not interested in leasing facilities. This is particularly true in the life sciences industry as a result of the considerable resources invested in their sites.

Regarding infrastructure capacity, the group identified water/sewer capacity as a limiting factor. Flow monitoring was recommended to identify capacity issues.

Patty McDonald described labor force dynamics. Speaking to labor force participation, she noted that over 100,000 county residents could be working and choose not to. These include people who financially do not need to work, as well as people who are low-wage earners and cannot afford childcare and transportation.

Addressing cost of living, Ms. McDonald noted that 36% of households cannot meet their basic needs. She described ALICE households, which are people who work fulltime and cannot meet their basic needs. The cost of housing and transportation are significant factors.

Ms. McDonald stated that the skill gap is also an issue, noting that skill-based hiring over education-based hiring is used for certain positions by different industries. Generational differences in workplace expectations were discussed. The need for zoning to better accommodate workplace amenities was noted. Ms. McDonald noted that the County is experiencing post-pandemic impacts and will for some time, with a 3-year cohort lacking in work readiness as a result of not being able to obtain their first job during the pandemic years.

Ms. McDonald also noted the problem of carpools losing their driver and the riders not being able to get to work.

VII. Geography of Employment

Shannon O'Neil provided a brief overview of the Priority Preservation Area (PPA), which was adopted in 2010. The county's preservation program was certified in 2010 and is recertified on a 5-year schedule. With certification, the county is eligible for additional agricultural land preservation funding from the state. The county receives roughly \$2M annually in Maryland Agricultural Land Preservation Foundation (MALPF) funds and retains a greater proportion of the Ag transfer tax than non-certified jurisdictions.

The State code has a goal of preserving 80% of the PPA. Currently, 49% is preserved. The land preservation goal included in Livable Frederick is 100,000 acres. The transition report includes a goal of 160,000 acres. A total of 73,500 acres has been preserved throughout the county.

It was asked if the PPA can be modified – with properties removed in one area and added in another area so the total PPA acreage remains the same. Ms. O’Neil expressed concerns with impacts to state funding for the preservation program. It was noted that properties have been removed from the PPA in the Walkersville area. Staff was asked to provide data regarding county preservation expenditures outside the PPA vs. inside the PPA.

In terms of interest in the preservation program, Ms. O’Neil stated that her office has far more interest in their programs than funding and receives a lot of applications from property owners in the Carrollton Manor area and the Mid-Maryland area. Katie Stevens noted that agriculture is one of the key industries for Frederick County, as noted in the Growth Opportunity Strategy, and is an economic opportunity for the County. The Office of Agriculture also has an extensive prospect list.

The PPA area between Westview/Ballenger Creek and Eastalco was discussed, along with the area west of Jefferson along 340 heading toward Burkittsville. This area is not in a PPA. Mr. Superczynski noted that a PPA designation is not zoning.

Tony Checchia presented the analysis that his office has been working on. He noted the increased value of properties that are connected to water and sewer. He further noted the lack of parcels with the W-1 water service classification in the ORI, LI, and GI zoning districts. He identified the ORI zoning along the east side of I-270 as a barrier to development, and stated that Feagaville is potentially an opportunity area.

VIII. Planning for June 25 Meeting

Kimberly Gaines stated that at the June 25 meeting the group will consider the geographic scope of the plan through a mapping exercise.

IX. Adjournment

With no additional business, the meeting was adjourned at 4:05 p.m.