

Crossroads of commerce

Hagerstown Washington County, MD Economic Development Commission

National Rankings Promote Washington County

In 2009, the Hagerstown-Washington County area has been nationally ranked by impressive sources. Southern Business Development Magazine has ranked the area twice this past year – once, as a “Dedicated Destination for Defense” and also, as a “Tweener” market to watch. Expansion Solutions Magazine awarded the area a “Top Five” National Ranking in the Warehouse/Distribution sector. Business Facilities Magazine named the area as number three of the “Top 10 Metro Areas for Best Cost of Living.” See below for details on each of these rankings:

Dedicated Destinations for Defense

According to Southern Business Development Magazine, Hagerstown is one of 20 cities in the Southern United States that feature a robust defense industry. This is attributed to our aero defense presence and growth at the Hagerstown Regional Airport.



“Tweener” Market Designation

Southern Business Development Magazine designated the Hagerstown area as a “Tweener” market, which are small and mid-markets where commerce in two or more larger markets can be easily served. As the economy continues to recover and companies rethink their location decisions, overall operating costs become an even more important factor. When crunching operating cost factors, site selectors will find that small and mid-markets in the South are hard to beat, especially those like Hagerstown that are located between and amongst large markets. To see the market profile, visit <http://www.sb-d.com/Features/Summer2009/Tweeners/tabid/291/Default.aspx>.



Top Five Warehouse/Distribution National Ranking

Hagerstown-Washington County has been issued an award of excellence for developing a top notch location where warehouse/distribution companies can thrive. Expansion Solutions Magazine chose the area because of the incredible support system offered to businesses and the amazing growth and the potential growth that can be created here. The area’s strategic location, proximity to an airport, rail, and the port of Baltimore, the highways, interstates and available real estate make the fast growing area one of the top places in the country for a warehouse/distribution company to flourish. To see the ranking profile, please visit http://www.expansionsolutionsmagazine.com/awards09_warehouse.

Top 10 Metro Areas for Best Cost of Living (under 500k population)

Business Facilities Magazine ranked the Hagerstown area number three in terms of cost of living. This is based on the Bureau of Labor and Statistics and U.S. Census statistics, as well as Kiplinger’s, Milken and Martin Prosperity Institute Surveys.

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EDC Announces New Board Appointment

The Hagerstown-Washington County Economic Development Commission (EDC) announces a new appointment to its Board of Directors.



EDC Board member Robert C. Jeffers

The Commission welcomes Mr. Robert C. Jeffers to the Board of Directors as an At-Large representative. Mr. Jeffers will serve the unexpired term of newly appointed District Court Judge Dana Moylan Wright, ending June 30, 2010. Ms. Wright served on the EDC Board since 2004.

Mr. Jeffers is the president and owner of the local Manpower Staffing Services franchise with offices in Hagerstown, Frederick, Martinsburg, and Winchester. He holds a Political Science degree from State University of New York at Oswego. Mr. Jeffers moved to Hagerstown in 1981 and has served in leadership positions on several business and community boards including the Kiwanis Club, the Boys and Girls Club, and Leadership Washington County, of which he is also a 1991 graduate.

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EDC Welcomes New Fiscal/Research Specialist

The Washington County Board of Commissioners authorized the EDC to hire Susan M. Buchanan as the EDC's Fiscal/Research Specialist. She will be responsible for managing economic information including compiling workforce data, conducting detailed research for clients and administering tax credit incentive programs. Ms. Buchanan plans to start with the EDC on November 16th. Ms. Buchanan is currently an income maintenance specialist with the Maryland Department of Social Services where she is responsible for coordinating family



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EDC Fiscal/Research Specialist Susan Buchanan

2010 Washington County Business Awards Save the Date of February 24th Hager Hall Event and Conference Center

Network, enjoy exquisite cuisine and refreshments, and help recognize the exceptional businesses in Washington County. Nominate your favorite organization by November 24th by visiting <http://www.hagerstown.org/pdf/WCBANominationCard2010.pdf>



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Economic Development Commission

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Fiscal/Research Specialist
Linda A. Spence
Administrative Assistant

The Hagerstown-Washington County Economic Development Commission is a county agency which strives to promote employment and provide assistance to new and existing industries in Washington County, Maryland. The EDC interacts with a vast network of public, private, and nonprofit organizations to address business needs. The *Crossroads* newsletter is produced quarterly by the EDC. For additional information or to submit items for this newsletter, contact:

Sarah J. Lankford
100 West Washington Street
Room 103
Hagerstown, MD 21740-4710
240-313-2280
Fax: 240-313-2281
slankford@hagerstowncdc.org



New Economic Incentive Program Brings the PEP to Hagerstown **Program includes incentives for office rent subsidies, taxes, parking and more**



Located within an hour's drive of Washington, DC and Baltimore, MD, Hagerstown-Washington County, MD has become a desired business location. As a convenient alternative to the metropolitan areas, many companies have been taking advantage of its strategic location, available workforce, and lower cost of business.

The City of Hagerstown's Arts & Entertainment district is undergoing a revitalization process and is an ideal location for office space in a downtown atmosphere with a growing number of shopping, restaurant, and entertainment amenities. The Barbara Ingram School for the Arts opened in August and complements the University System of Maryland's downtown location.

To attract more businesses downtown, the City has initiated the Partners in Economic Progress (PEP) program which offers an outstanding array of incentives for businesses and developers. Approved by the Hagerstown City Council in September, the PEP program offers investors more flexibility and communication with the City departments to facilitate the location of new tenants quickly. The PEP program includes incentives for commercial, mixed-use, and residential properties.

Details on Incentives:

Upper Floor Commercial Space Rent Relief

Provides 50% matching grants on rent of upper floors office space downtown for professional service and technology businesses

Economic Rehabilitation Incentive Grant Program

Grants up to 100% of the City's real estate taxes that are paid

Parking Program Fee Reductions

Includes one year of free parking and four years with a 50% reduction in parking permit fees

Utility Benefit/Allocation Charge Assistance

Offers two free EDUs per property and financing of additional EDUs for a period of up to five years at 0% interest

Development Fee Free Zone

Includes waiving all building, plumbing, electrical, mechanical, plan review, occupancy, and zoning fees on approved development projects

Fast Track Construction Program

Receives a preferential time frame for project review

Code Flexibility For Rehabilitation of Existing Buildings

Expedites the review process by assisting with code requirement interpretation

Professional Assistance With Historic Tax Credit Programs

Advises property owners/developers on utilizing Federal and State income tax credits for historical rehabilitation projects

For detailed information on the PEP program, please visit <http://www.hagerstownadvance.com/doing-business/incentives/pep-program>. To apply, contact the City of Hagerstown Economic Development Director, Deborah Everhart at 301-766-4189 or deverhart@hagerstownmd.org.



EDC Receives Award for Crossroads Trailer Promotion at International Economic Development Conference

Acknowledging the EDC for its exceptional promotional endeavor with its Crossroads of Successful Business trailer promotion, the International Economic Development Council (IEDC) recognized the organization with an honorable mention at IEDC's Annual Conference, in Reno, Nevada in October.

"Furthering economic development is rarely a simple task in the best of times, and advancing the cause in the midst of a global financial crisis nothing less than arduous," said Ian Bromley, IEDC chair. "As the consequences of the widespread economic turmoil have taken hold, we have seen our members become even more ardent proponents of economic development, flying in the face of one of the most challenging economic environments we have experienced in our careers. We tip our hats to the EDC for its superior work during these difficult times."

Competing in the award category of General Purpose Promotion by organizations serving areas with populations between 50,000 and 200,000, the EDC's Crossroads of Successful Business trailer promotion submission made a notable impression. The EDC, Maryland Department of Business and Economic Development (DBED), logistics carrier D.M. Bowman Inc., and design firm High



Rock Studios Inc., partnered to creatively and cost effectively market Hagerstown-Washington County as a successful business location.

The result of the collaborative effort is two 53-foot traveling billboards circling the U.S. on the sides of two D.M. Bowman tractor trailers. Both sides of the trailer display the EDC logo, web site, and photographs illustrating the industry, business, education, and quality of life opportunities available there. The phrase, "Crossroads of Successful Business," is prominently positioned. Serving as a traveling testimonial, the back of the trailer includes the statement, "Another Successful Washington County Business," with D.M. Bowman's logo centered below. This innovative idea and strong partnership sparked an affordable national and regional

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Project Wormburner 2009 Site Consultants and Brokers Tour



Despite the overcast weather, more than 40 site selection consultants, real estate brokers, developers, and Maryland Department of Business & Economic Development officials joined the EDC Thursday, September 17th for Project Wormburner 2009.

The day began with a bus tour of Washington County's prestigious commercial and industrial properties. The "three-hour tour" included areas surrounding the Hagerstown Regional Airport, Downsville Pike, Hopewell Valley, and downtown Hagerstown. Information on premier properties located in Boonsboro, Cascade, Hancock and Williamsport were included in the event booklet and discussed during the tour. The day also included a catered luncheon, a fun, yet competitive golf tournament, and concluded with a cocktail reception where tournament prizes were awarded.

Project Wormburner was made possible through the generosity of local, regional, and state development partners. Many thanks to everyone for their continued support.

Thank you for a great event!



Sierra Nevada Corporation's Hagerstown Location Awarded Competitive Contract from U.S. Customs and Border Protection

Eren Ozmen, president of Sierra Nevada Corporation (SNC) recently announced that SNC has been awarded a competitive contract valued at more than \$600M for the U.S. Customs and Border Protection (CBP) Air and Marine Multirole Enforcement Aircraft (MEA) Program. Ms. Ozmen stated, "This is a strategic win for us in realizing our diversification objectives into the Homeland Security Department as well as others, like International markets." The initial Base contract is for \$95M for 5 Beechcraft 350ER aircraft with 4 one-year options up to 30 aircraft over the life of the program. The MEA program will be performed by SNC's Integrated Mission Support (IMS) location in Hagerstown, MD.

According to William Shaver, executive vice president of SNC's Hagerstown location, approximately 100 new employees will be hired to outfit the aircraft with electronics, radio communications suites, sensor equipment and other technology. Mr. Shaver also estimated the contract would bring the Hagerstown facility's current \$60M payroll to about \$75M. Currently, the site employs more than 500 workers, with approximately 50% of those being contractual positions. The new employees needed to satisfy the contract will include engineers, airframe and powerplant mechanics, avionics

and structural experts, production workers, fabrication and metal workers, supply handlers and maintenance staff. Aside from the recently awarded contract, Shaver said the Hagerstown location has the potential to double its workforce by early 2010.

"This is a great win for Washington County and speaks volumes

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Emergency Vehicle Specialist Unveils New Addition and Opens New Business

Emergency Vehicle Specialist (EVS) has recently unveiled a new office expansion as well as a new business, Truck and Trailer Specialist (TTS). Located at 16121 Business Parkway in Hagerstown, both companies are utilizing a new 5,615 sf addition to their current 18,500 sf facility.

Emergency Vehicle Specialist provides complete preventative maintenance and repairs for all emergency vehicles and draws its clientele from five states including Delaware, Maryland, New Jersey, Pennsylvania, Virginia, and West Virginia. TTS provides maintenance and repair to medium-duty trucks, construction equipment, cranes, among other equipment. Their customers include local and national trucking and fleet customers.

EVS employs 22 people and has added 8 jobs this year. TTS currently has one employee, but will add at least five more in

the next year. Both companies were founded by Mr. Jim Kimble, longtime president of the Volunteer Fire Company of Halfway, who credits his business success to the education and mechanical expertise training he received while volunteering for the fire company. "While volunteering, I saw a need for a repair facility that focused on the emergency service industry," Mr. Kimble explains. "EVS was formed to offer high quality repairs and maintenance with a quick turnaround so the emergency companies would have the equipment to serve the needs of the community."

Timothy R. Troxell, CECD, executive director of the Hagerstown-Washington County Economic Development Commission (EDC), comments, "The EDC congratulates EVS on their expansion and for the jobs they have added to the local economy this year. We look forward to their continued growth and success."

JEFFERS

He currently serves on a variety of national Manpower Staffing Services committees and is past president of the Association of Manpower Franchise owners.

“The EDC looks forward to Mr. Jeffers’ leadership and his assistance in providing national and local workforce development viewpoints to the Commission,” said Timothy R. Troxell, CECD, EDC executive director. “The EDC staff and board join me in welcoming Mr. Jeffers onto our team.”

BUCHANAN

investment programs. She has prior experience in the banking industry as a credit analyst and she was an intern at the EDC while finishing her business administration degree at Hood College.

“We are pleased that Susan was interested in serving her community in this capacity,” said Timothy R. Troxell, CECD, executive director of the EDC. “She will be a wonderful addition to our professional staff, adding new talent and strength to our team.”

Ms. Buchanan grew up in Washington County and currently resides in Williamsport with her husband and two children.

AWARD

advertising outlet that spreads the message that Hagerstown-Washington County is the Crossroads of Successful Business.

The International Economic Development Council (IEDC) is headquartered in Washington, DC. Its mission is to provide leadership and excellence in economic development for communities, members and partners. IEDC’s professional economic development awards annually recognize excellence in the economic development profession.

SNC

about the future aero and defense activity the Hagerstown Regional Airport (HGR) can support,” said Timothy R. Troxell, executive director of the Hagerstown-Washington County Economic Development Commission (EDC). “The EDC will continue to work with EDC Board member Hal Lucas, director of SNC IMS, on developing workforce solutions in the aero and defense sector that will help create more high-paying jobs in Washington County.”

(SNC) is known for its rapid, innovative, and agile technology solutions in electronics, aerospace, avionics, space, propulsion, micro-satellite, aircraft and communications systems for both the private and public sectors. Founded in 1963, SNC’s seven unique business areas employs approximately 2000 people in 35 different locations in 20 states – all of whom are dedicated to providing leading-edge solutions to SNC’s dynamic customer base. For more information on SNC visit www.sncorp.com

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December



- 4 Small Business Innovation Research Meeting, 8:00 a.m. at the Technical Innovation Center
- 7 Hagerstown Entrepreneurship Development Group networking meeting, 6:30 p.m. to 8 p.m. at the Technical Innovation Center
- 8 MEDA Tax Credit Seminar at University of Maryland Baltimore County Tech Center
- 8 Ft. Detrick Alliance Annual Dinner, 5:30 p.m. at the Musket Ridge Golf Club in Myersville
- 10 EDC Board meeting, 7:30 a.m. at the EDC
- 24-25 County offices closed for holiday
- 31 County offices closed for holiday

January



- 1 County offices closed for holiday
- 8 EDC Infrastructure Committee meeting, 8 a.m. at the EDC
- 14 MEDA Winter Conference at Governor Calvert House in Annapolis
- 14 Tech Council of MD - STEM Conference in Washington DC
- 18 County offices closed for holiday
- 21 Celebration of Business Taskforce meeting, 3 p.m. at the EDC
- 21 IEDC "Developing Community-Based Venture Financing" web seminar, 2:30 p.m. to 4:00 p.m. at the EDC
- 29 MEDA Awards Nominations due at www.medamd.com

February



- 2 State of the County, 7:30 a.m. at Fountain Head Country Club
- 11 EDC Board meeting, 7:30 a.m. at the EDC
- 18 Celebration of Business Taskforce meeting, 3 p.m. at the EDC
- 24 Washington County Business Awards, 5:30 p.m. at Hager Hall Event and Conference Center

Economist Anirban Basu's 2009 Review



*Economist Anirban Basu
of Sage Policy Group, Inc.*

Anirban Basu, the chairman and CEO of Sage Policy Group Inc., was the keynote speaker at the seventh annual Washington County Economic Summit, hosted by the Hagerstown-Washington County Chamber of Commerce and the EDC in early November.

More than 150 business leaders attended the event at Fountain Head Country Club. Basu commented on the current issues with stocks, mortgages, and unemployment. He said, "in short, government is growing

and production is shrinking...the economy may recover in six to twelve months, but it will be nothing fabulous." He explained the recent history of Washington County's economy and reasoning for its current state.

Washington County has always been a manufacturing mecca from the days of Fairchild Aircraft during World War II. Today, manufacturing still has a strong presence in Washington County as

it represents over 11% of private sector jobs, but it is following the national economic trend in terms of a decrease in manufacturing and supply chain jobs.

The decreased demand for manufacturing has caused a domino effect as there is less demand to transport goods. Consequently, this has caused a decrease in the transportation and trade sector jobs, which represents about 24.3% of the private employment in Washington County. Additionally, as the housing bubble burst in 2007, many construction workers, who make up about 6% of our private employment in Washington County, have also become unemployed. The area's growth in jobs has been in the health, education, and government sector and this is parallel with the employment trends in both Maryland and on a national level.

Despite the current economic climate, Washington County will continue to diversify its economy and target industries such as aero defense, biotech, and advanced manufacturing. Hagerstown Regional Airport is growing its defense presence and Washington County's efforts in workforce development will continue to support that industry. Additionally, the new medical center is under construction and will be a major regional advanced health care provider with numerous job opportunities.

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