



# CARROLL COUNTY • MD

ECONOMIC DEVELOPMENT & LAND USE STUDY

# EXECUTIVE SUMMARY AND FINDINGS

## Zoning and Land Use

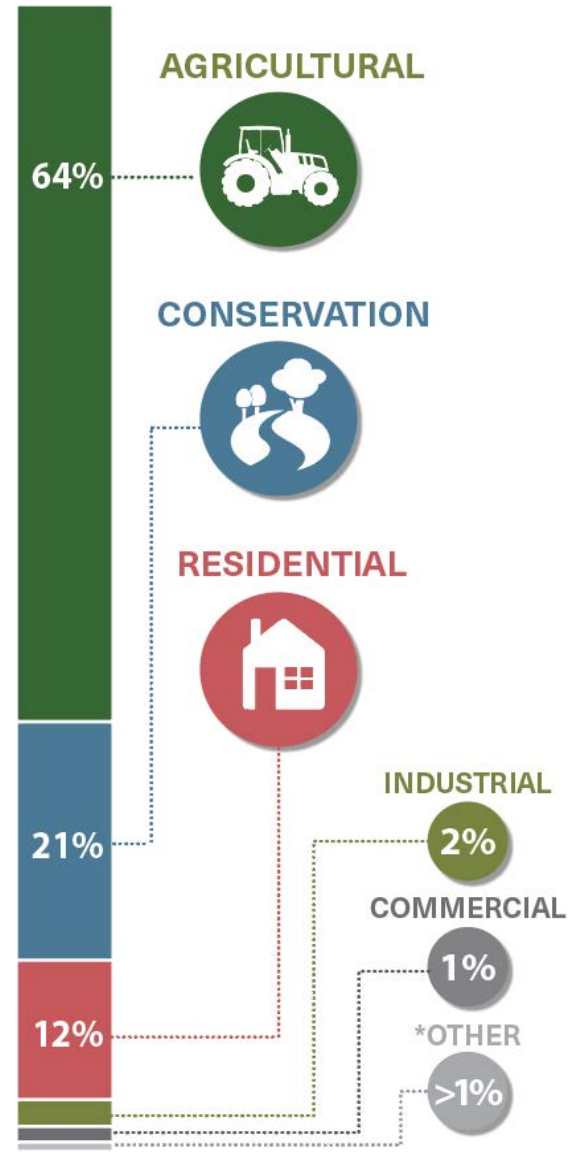
Carroll County's zoning and land use reflects its history, economy, and identity as a rural, agricultural community. Balancing this identity with meeting the future economic development needs of the County will be paramount as the County drafts its next General Development Plan (or Comprehensive Plan).

Carroll County's current land area shows an emphasis on agricultural and residential uses with industrial, commercial, and other land uses accounting for less than 5% of the county's land area.



Farm in Carroll County  
Image Source: Carroll County Economic Development Department

## USE PERCENTAGE OF COUNTYWIDE LAND AREA

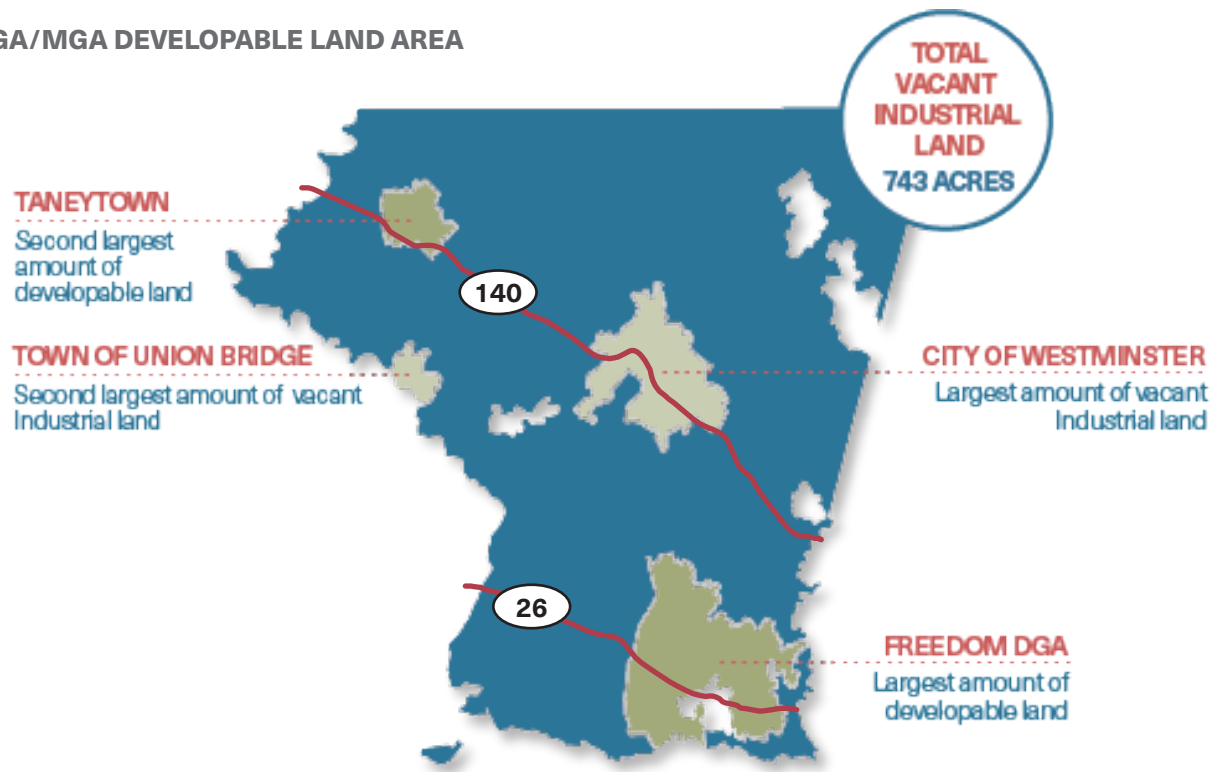


\*Contains the Employment Campus, Heritage, Mixed Use, PUD, and Residential Office zoning designations.

In addition to its Agricultural land use, Carroll County's award-winning Agricultural Land Preservation Program (ag. pres) has been highly successful in its mission to support the County's farming community through the purchase of conservation easements. The effect of this on Carroll County's economic development outlook is limited, as very few preserved parcels are in a DGA/MGA.

The Municipal Growth Areas (MGAs), originally referred to by the County as Designated Growth Areas (DGAs), are critical planning areas that can affect the County's long-range economic development potential. Consistency between municipal- and county-designated future use of vacant or underutilized land is most important within these areas. Additionally, major transportation corridors, such as Baltimore Boulevard (MD 140) and Liberty Road (MD 26), present areas for economic opportunity as they are gateways through the county and prime locations to handle an increase in traffic and activity.

### DGA/MGA DEVELOPABLE LAND AREA



#### QUICK NOTES

- Land zoned for Industrial and Commercial uses is mostly located within a quarter mile of state roads, along major transportation corridors.
- The county has a relatively low percentage of both industrial and commercial land in comparison to other counties in the region.
- Over 78K acres of land have been preserved across four ag. pres. programs. Specifically, the Carroll County Easement Purchase Program has preserved over 24K acres at a cost of \$173,326,778.
- The Baltimore Boulevard (MD 140) corridor has water and sewer facility constraints.
- The Liberty Road (MD 26) corridor has public water and sewer availability.

## Economic Profile

By many metrics highlighted throughout this analysis, Carroll County reflects a stable economy with a broad economic base of industries, including renowned agricultural production, a steady employment base, high levels of employment, quality economic development resources from small business services to workforce development, and a multitude of economic assets.

By total businesses and employment base, key industries include health care and social assistance; retailers; service-oriented businesses; construction companies; and other professional, scientific, and technical services.



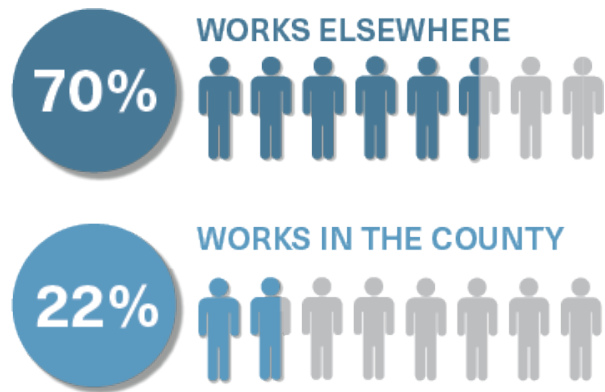
Agriculture remains a considerable part of Carroll County's economy, with 1,174 farms throughout the County, 98% of which are considered family farms, as reported during the last agricultural census conducted by the US Department of Agriculture. It shall be noted that a "family farm," is defined as any farm in which the majority of the business is owned by an operator and any individuals related to them by blood, marriage, or adoption, including relatives who do not live in the operator's household.

Carroll County has a significant network of economic development resources, infrastructure, and assets linking to the County's economic success. Robust partnerships with the Carroll County Department of Economic Development help attract new businesses to Carroll County, retain existing businesses, target support for large corporations and entrepreneurs alike, and enhance workforce development that benefits Carroll County's residents and workers.



The County attracts workers from Baltimore County, Frederick County, Adams County, Howard County, and York County, equating to nearly 40% of Carroll County's workforce. However, almost three-quarters of the working residents in Carroll County leave the County to work elsewhere. Nearly 70% of Carroll County's workforce travels 24 miles or less to work and approximately 41% of workers are estimated to be eligible for telework.

## COUNTYWIDE WORKING RESIDENTS



Long-range employment projection forecasts for Carroll County anticipate an 11% increase in the County's employment base over the next 30 years, by 2050. This lags slightly behind the region's overall expected 15% employment increase.

Carroll County offers a strong base of economic development infrastructure and resources for businesses and employers and workforce development resources to support economic development in the County. The County's existing economic development tools prioritize servicing the economic goals of the County, such as expanding the tax base, prioritizing business attraction and retention, preserving agricultural character, and helping to maintain it as a viable community to live and work in.

## COMPARISON OF EMPLOYMENT BASE PROJECTIONS (2022 - 2050)

### Carroll County

11%

### Region

15%

### Harford County

23%

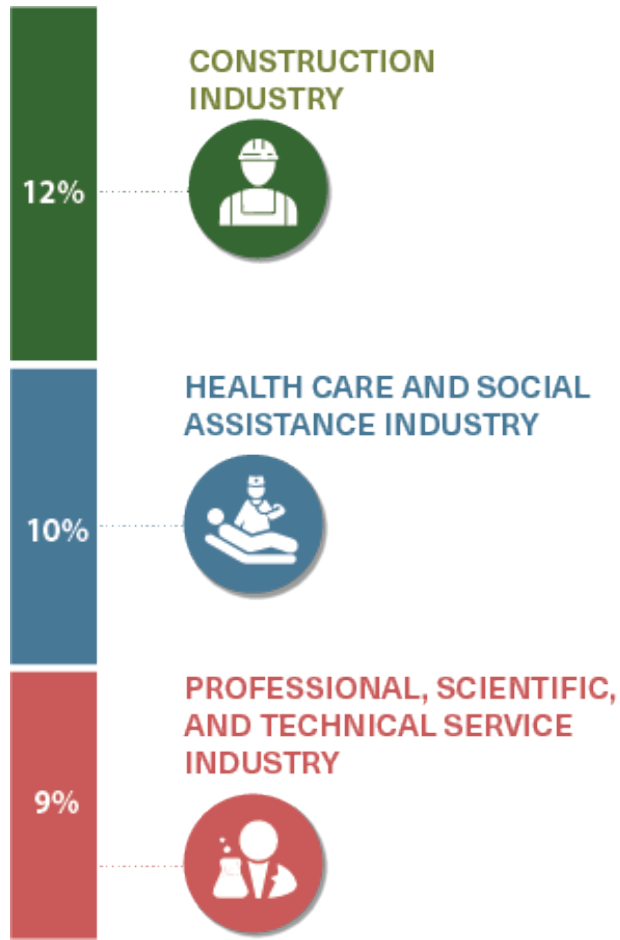
### Howard County

35%

Targeting industry sectors for growth in the coming years can help the County strategically position itself for an optimal future that enhances the economy while continuing to celebrate the character and atmosphere that Carroll County and its community prides itself on. As such, achieving a blend of strengthening current industries with relevant emerging industries may help transition Carroll County toward the future.

In addition, stakeholders and business owners who participated in focus groups during the Study process were asked to participate in a business climate survey to further examine the culture, goals and context of the business community and how the County can continue to cultivate a profitable environment for its businesses, refer to the Public Engagement section for the survey results.

## KEY INDUSTRY SECTORS IN CARROLL COUNTY



Each of these target industries can benefit Carroll County economically, balancing both currently established industries and regional growth sectors. Enhancing the County's economic base will continue

to be pivotal as the County addresses pressing infrastructure issues and limitations and rising costs of municipal services. Thoroughly understanding the development feasibility, infrastructure necessities, and positioning within these industries can help ensure that targeted investment and resource allocation achieves successful and valuable economic growth in Carroll County.

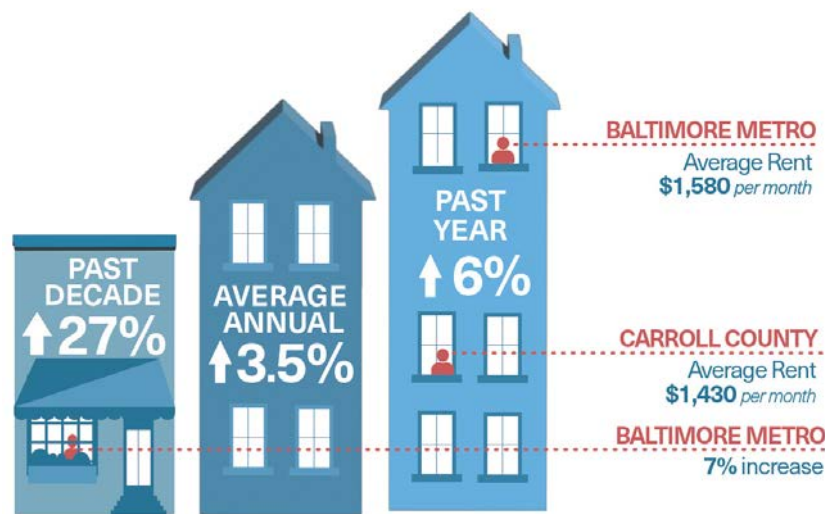
### QUICK NOTES

- In 2021, the County's \$5.7 billion GDP constituted nearly 2% of Maryland's GDP.
- While many places, regionally and nationally, faced significant economic upheaval attributable to the COVID-19 pandemic, Carroll County's labor trends over the last five years mirrored or fared better than statewide conditions and areas with high concentrations of office workers.
- Unemployment in the County remains at a 10-year low and below statewide unemployment levels.
- More than 1 out of 10 businesses in Carroll County are within the construction industry.
- 4 of the top 10 employers in the County are within the health care and social assistance industry.
- The professional, scientific, and technical service industry has a strong concentration around Westminster, where several business parks are located (Westminster Technology Park, Carroll County Commerce Center, and Air Business Center).
- Carroll County's top industry sectors by employment mirror the top industries by signifying consistency amongst establishments and employment bases.

## Real Estate Market

Carroll County is in the Baltimore-Columbia-Towson MD Metropolitan Statistical Area (MSA), and included in the Washington-Baltimore-Arlington, DC-MD-VA-WV-PA Combined Statistical Area (CSA). It is predominantly rural with a residential character. Its real estate market is small but healthy.

The housing market in the County is currently a seller's market, with higher prices and faster sale times for homes. As for multifamily housing, rents have increased 6% over the past year, significantly exceeding the average annual growth rate of 3.4% over the past decade.



### MULTIFAMILY AND RETAIL RENTS

Retail rents in Carroll County have increased 27% over the last decade, far above the 7% average for the Baltimore Metro area, though retail rent prices remain considerably lower than that of the region's average.

## Commercial Trends

- Carroll County's **Office Submarket** is mid-sized and contains around 2.9M square feet of office space. There are no supply-side pressures on vacancy or rent in the near term. There has been no new supply within the submarket in more than five years. The market price, based on the estimated price movement of all office assets in the submarket, sat at \$158 per square foot during the first quarter of 2023. That figure is largely unchanged since last year, and the price itself is below the average for the region. At 8.0%, the market cap rate is within a few basis points of its previous year's levels, and it's similar to the metro average.
- Carroll County's **Industrial Submarket** is mid-sized and contains around 11.4M square feet of industrial space. The local inventory pool includes square footage for space designed for a specific industrial purpose as well as space designed to suit a variety of industrial uses. Vacancy rates have dipped slightly over the past year. Rents grew by 9.7% over the past 12 months, exceeding the 4.5% average annual change over the past decade. Industrial and logistics space rental prices in Carroll County are moderately below the metro average. These indicators reflect a market with a relatively stable level of demand.
- Carroll County's **Hotel/Hospitality Submarket** is typically seasonal, with occupancy levels peaking during the summer months. The hotel revenue per rented room has largely stabilized to pre-pandemic levels and has experienced minimal year-to-year growth between October 2022 and February 2023. Hotel supply in the County reveals limited hotel product concentrated in DGAs/MGAs, except in Sykesville where there is no available product.

The submarket's hotel inventory has been stagnant over the past three decades with no new large-scale hotels since 1989. There have been two recent projects within the County that market reports indicated were not supported by demand.

- Carroll County's **Retail/Dining/Entertainment Submarket** experienced a year-over-year decline of 23%. Meanwhile, triple-net rents increased 8% year-over-year. Development has been relatively steady over the past few years, adding an average of 31,620 square feet per year between 2020 to 2022. The existing character of Carroll County's downtown core retail spaces will continue to draw inward investment and revitalization as the trend affecting this submarket is to have a smaller footprint than a prototype store. Rents in the submarket grew by 8% over the past 12 months while the Baltimore region experienced a slight decline (-2%) over this same time frame.

#### QUICK NOTES

- Uses that drive industrial and business economic development are currently allowed in just under 5.25% of county-zoned land.
- Commercial office space in the County is comprised of Class B (49% of the inventory) and Class C (51% of the inventory).
- No new supply of industrial space is currently underway, however, 134K square feet was delivered over the past three years, representing an inventory expansion of 1.1%.
- Hotel supply covers a broad spectrum of classes, with one Economy hotel, one Midscale hotel, one Upper Midscale hotel, and one Luxury hotel. Small bed and breakfast concepts with less than 10 rooms are also provided in the County.
- Nearly 132K square feet of new retail is proposed for delivery within the next eight quarters in Eldersburg, Sykesville, Westminster, and Winfield.
- Business owners cited Carroll County's strong labor force as a major factor in their decision to locate in the County.



Carroll Community College

Image Source: Carroll County Economic Development Department

## Growth Scenarios

As Carroll County prepares to draft a new General Development Plan, many decisions will be made about how much and what kind of growth the County will pursue. As a precursor and supporting document to the forthcoming General Development Plan, a series of four growth maps (Scenario A, Scenario B, Scenario C, and Scenario D) provide guidance on the overarching capacity and feasibility of economic growth for years to come.

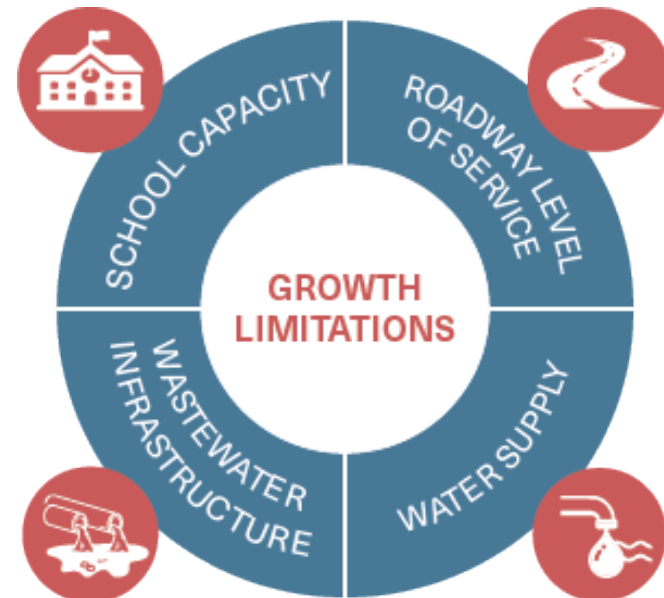
Each growth scenario reflects a level of growth intensity the county could pursue to assess tax revenues, maintain county levels of service, and preserve the high quality of life that residents value. The opportunities and constraints on growth fell into six categories, market demand, market development, land use, infrastructure, fiscal sustainability, and public sentiment.

Overall ideal levels of feasibility for each category fall within a county growth scenario that is aligned most closely to Scenario C. In open house activities and online surveys, the majority of residents and stakeholders stated they would prefer low to moderate growth in Carroll County and appreciate its rural and agricultural setting.



### Highlights of Scenario C

- 350K – 550K Average Annual Commercial Absorption (SF)
- 0.8% - 1.2% (approximately 1,360 – 2,000 residents) Population Growth per Year
- Moderately significant changes to existing FLU categories within MGAs/DGAs during updates to the General Development Plan.
- Future expansion of the existing MGAs/DGAs boundaries is likely.
- All MGAs/DGAs will need to be priorities for increased infrastructure capacity.
- The relationship of expenditures to revenues will rise at a more balanced rate, lending towards a low deficit or balanced budget.



# Opportunities

As Carroll County looks to the future, proactively targeting key industry sectors can help support expanding the county's industry and employment composition while preserving the attributes and characteristics that have led to Carroll County economic development success.

The County Department of Planning identified vacant parcels that have the potential for future development.

## COUNTYWIDE VACANT ZONED LAND FOR ECONOMIC DEVELOPMENT OPPORTUNITIES



### COMMERCIAL

185  
TOTAL ACRES



### EMPLOYMENT CENTER

113  
TOTAL ACRES



### INDUSTRIAL

743  
TOTAL ACRES

Major transportation corridors represent growth opportunities, as these roads are already home to much of the non-residential development in the unincorporated and incorporated portions of the county as well as being prime locations to handle an increase in traffic and activity.

## PRIME CORRIDORS FOR GROWTH OPPORTUNITIES



**BALTIMORE BOULEVARD**  
MD 140



**LIBERTY ROAD**  
MD 26

The Priority Greenfield and Redevelopment Matrix, beginning on page 94 of the Study, evaluates relevant, determinant factors to potential development for Industrial and Employment Campus-style development. A total of 31 sites were identified and ranked based on those best suited for those desired development types.

## TOP FIVE SITE OPPORTUNITIES

PANK LAND LLC	AVONDALE ROAD	TOWNMALL OF WESTMINSTER	JOHN FROCK SITE	LONG MEADOW FARM (BEATY PROPERTY)
GREENFIELD SITE	GREENFIELD SITE	REDEVELOPMENT SITE	GREENFIELD SITE	GREENFIELD SITE
APPROXIMATELY	APPROXIMATELY	APPROXIMATELY	APPROXIMATELY	APPROXIMATELY
<b>39</b>	<b>82</b>	<b>55</b>	<b>89</b>	<b>118</b>
ACRES	ACRES	ACRES	ACRES	ACRES



Biotechnology

Image Source: Carroll County Economic Development Department

Targeted specific industries for growth can help shift status quo patterns and elicit the types of industries and businesses that continue to make Carroll County a desirable community while ensuring the economic vitality of the County's current businesses and workforce. The following targeted industries may be particularly suitable for expanded growth in Carroll County.

### Targeted Industries

- Agricultural Production
- Agricultural Technology (Ag. Tech.)
- Agritourism and Hospitality
- Manufacturing
- Defense Contracting
- Biotechnology
- Research and Development (R&D)
- Small Business Incubation
- Information Technology and Data (IT)
- Drone and Autonomous Logistics

### Quick Notes

- The Freedom DGA has the most amount of non-residential developable land, followed by the City of Taneytown.
- The Towns of Hampstead and Manchester contain the most amount of vacant Commercial zoned land.
- The Freedom DGA contains the most amount of vacant Employment Campus zoned land.
- The City of Westminster contains the most amount of vacant Industrial zoned land.
- As of June 2023, a total of 78,281 acres of land have been preserved across four ag.pres programs.
- Farm alcohol producers (FAPs), including wineries, breweries, cideries, and distilleries are seen as a potential economic development driver within the wider Agritourism sector.

### Economic Development Toolbox and Resources

- Workforce Development Center
- Small Business Development Center
- Priority and Expedited Reviews
- Impact Fees
- Electronic Review Tracking System
- Community Development Liaison
- Carroll Community College Job Training Certifications
- Maryland Department of Commerce
- Vacant Non-Residential Zoned Land
- Priority Greenfield and Redevelopment Sites
- Targeted Industries