

2016-2020 Annapolis Economic Development Strategic Action Plan

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Introduction

This Strategic Action Plan contains a roadmap for Annapolis' economic development efforts over the next 5 years. It reflects the results of a process that involved hundreds of hours of research including:

- Historic City documents and studies (including priorities identified in the Economic Development Transition Team report, Sector Studies, the City's Comprehensive Plan and dozens of other guiding documents)
- Multiple publications and studies from esteemed, external organizations (American Planning Association, Urban Land Institute, International City/County Manager Association, National Trust for Historic Preservation, *Digital Communities*, *Government Technology*, U.S. Census, State of Maryland, etc.) regarding economic trends
- Public input from eighty+ organization-leader and business-owner interviews and meetings

Based on analysis of this information, major goals and objectives have been identified on which Annapolis should focus its economic development activities for the next 5 years.

Summary of Research Findings

Healthy Economies = Healthy Communities

In general, economic development is about building healthy economies to ensure healthy communities. This Strategic Action Plan is based on the following definition of economic development: creating and/or retaining jobs and supporting or growing incomes and the tax base. These are just a few of the ways successful economic development benefits communities:

- Increased Tax Base – supports, maintains, and improves local infrastructure, such as roads, parks, libraries, and emergency medical services
- Job Development – provides better wages, benefits, and opportunities for advancement
- Enhanced Quality of Life – more local tax dollars and jobs raise the economic tide for the entire community, including the overall standard of living of the residents

Innovation Drives Today's Economy

The first wave of human socio-economic development was the Agricultural Age with wealth measured as ownership of land. In the second wave, the Industrial Age, wealth was based on ownership of capital; e.g., factories. In the current third wave, the Knowledge Age, wealth is based on the ownership of knowledge and the ability to use that knowledge to create or improve goods and services. It is an economy in which the driving force is innovation and creativity so that companies can continually offer new and better value to customers and deliver it sooner.

Investing in 'Place' is Key to Growth

It is well recognized that high quality of life and place are increasingly needed to attract and retain today's knowledge-economy companies and workers. These workers place more emphasis on lifestyle factors such as excellent schools, the environment and the recreational quality of a region. In addition, studies demonstrate that this is true across the entire age spectrum, from millennials to baby boomers. *And today, companies locate where workers want to be.*

Hence, today a new ‘economics of place’ is driving economic growth and development. Investing in local amenities and quality of life has become more important than traditional local-government business-recruitment strategies. Features such as transportation options, affordability, parks, local vitality, health, diversity in people and generations, and presence of friends and family have become strong factors for choosing where to live. Investing in place building is the key to strong economic growth.

Affordability and Accessibility Are Necessities

Economic health is not the only driver of business and workforce location decisions. A region’s affordability is also critical. A majority of all age categories cite living expenses, especially affordable housing options, as important in deciding where to live. In addition, healthy communities (parks, trails, hospitals and healthy food options) are critical to attracting and retaining workforce talent.

The ability to “age in place” is another important issue, and not just for Boomers. Active Boomers and Millennials both seek more and better non-auto transportation options. Both groups also embrace intergenerational diversity, seek greater options for accessibility and walkability, and worry about savings and cost of living. Large majorities also want good planning for protection from natural hazards and extreme weather.

Economic Development Today

The direction of economic development today is to re-examine the importance of everyday settings and experiences that shape our lives – the downtowns, parks, plazas, streetscapes, neighborhoods and markets that influence where we live, work and play, and how we interact with each other. Communities that are successful in today’s climate are those who embrace an economic development strategy centered on issues of *place, innovation, access and affordability*.

Annapolis Economic Development Vision and Mission

The Vision of the Annapolis Economic Development Division:

Establish Annapolis as a vibrant, safe, diverse and world-class place to live, work, start and build a business, and visit – with the appropriate balance between preserving the existing local character and assets, and embracing progress to ensure continued relevancy.

The Mission of the Annapolis Economic Development Division:

Enhance the City’s economic viability and employment opportunities to the benefit of its residents, workforce, and local business communities in a manner that incorporates priorities as stated in the Comprehensive Plan (Promote a Vibrant Economy; Preserve Community Character; Move Toward a ‘Green’ Annapolis) with improvements in Place, Innovation, Access and Affordability.

Economic Development Goals and Objectives

In the following section, each stated goal is followed by the underlying circumstances driving the specific objectives, setting the foundation for an aggressive action plan.

Key: Objectives (X.) & Actions (X.X.)

Goal 1. Place - Grow and Promote a Vibrant City Economy

Develop a business-friendly culture that fosters entrepreneurship and encourages an increase in the number and diversity of businesses that establish, maintain and expand in all communities in the City.

Underlying Circumstances

The globalization of the economy and the advance of technology have made geographic boundaries less important. An increasingly mobile workforce can live almost anywhere, which intensifies the jockeying for economic activity among cities and regions throughout the world. Annapolis must recognize its unique assets, clearly define them, understand how to capitalize on and continually refine them, as well as clearly communicate them to the world in order to compete successfully in today's economy.

In order to compete, the City government must be perceived as business-friendly, which requires a multi-faceted outreach and marketing strategy targeted to four audiences: 1) internal government; 2) businesses; 3) local residents; and 4) the external global marketplace.

An ongoing internal outreach and marketing strategy would serve to educate and provide data as needed to all other City departments and the City Council as to how to best support economic development initiatives and integrate efforts for greater mutual efficiencies and support of commercial activity.

In addition to marketing and outreach internally, external campaigns must be directed to three additional primary target audiences:

- Businesses (potential and existing) - The City's economic development web pages should be made more robust, partly for internal education and reference, and partly for those businesses seeking resources to start or expand a business, especially to clarify the City's regulatory processes to businesses and private investors. Optimizing business' experience with the City will better foster the growth of quality businesses in the City.
- Local residents - Particular attention must be directed at local City and County residents to draw them back to the City's business districts. Many have given up on the City based on perceived traffic congestion and lack of parking, as well as increased options in surrounding retail centers.
- External global marketplace - At the same time, the City must convey a strong positive image to regional, national and international business targets, residents and visitors.

In the context of an ever-changing and adapting global economy, it is incumbent upon Annapolis to move to a more contemporary, proactive economic development model, with a long-range vision and carefully managed goals and strategies that place a premium on flexibility, agility, and a willingness to toss old habits aside. In addition, some of the City's current policies regarding zoning, infrastructure, parking, and other related issues must be re-aligned with today's rapidly changing economic environment.

Goal 1 - Objectives & Actions

1. **Consider economic development impacts in all aspects of city planning and operations**, from Transportation (traffic, parking, transit, etc.) and Public Works (support infrastructure, amenities), to Police (safety, crime, emergency preparedness) and Recreation and Parks (health, fitness, quality of life)
 - 1.1. Educate all of the City's departments and the City Council about the interrelationships of what they do with economic development and plan how to best integrate efforts for greater mutual efficiencies and support
 - 1.2. Actively involve other City departments as needed to support economic development initiatives, including attending periodic Department Head meetings
 - 1.3. Provide guidance to help align City infrastructure (transportation, parking, technology, sidewalks, water, sewer, streets) to best support the growth of quality businesses in the City
 - 1.4. Continually research peer cities and provide forecasts, statistics and best practices on economic development initiatives
 - 1.5. Fully understand what constitutes the City's commercial tax base
 - 1.6. Review processes and public policy across the departments that impact economic development efforts and work with them to make necessary changes that advance related government efficiencies; e.g., the permit process
 - 1.7. Work with the Departments of Planning & Zoning, DPW, DNEP, HPD and Fire to implement a permit process that proactively streamlines processes, precludes problems and is consistent across the board, from preliminary steps to final inspections
 - 1.8. Plan well in advance to mitigate negative effects during capital projects in order to support businesses; e.g., additional signage, parking relief and other tactics
 - 1.9. Revise zoning and permitting definitions and regulations as needed to reflect more closely the operations of contemporary industries, business models and lifestyles
2. **Create economic development programs** that enable the Division to proactively plan and respond to business targets with the best match of services and assistance to ensure success
 - 2.1. Identify and implement fiscal, administrative, and regulatory policies and processes designed to stimulate increased economic activity and investment in the City that will make it more competitive in the regional, state, national and global markets; e.g., options that will encourage property owners and business tenants to rehabilitate and utilize upper floor space throughout the City
 - 2.2. Establish and manage relevant advisory groups, including the Business Leader's Group to assist in defining public policies and programs required to accomplish the City's economic development goals
 - 2.3. Support a customer-service training program for City personnel who have contact with the business community on a regular basis and create evaluation mechanisms to ensure a culture that welcomes businesses and focuses on how to achieve their goals
 - 2.4. Structure the Small and Minority Business Development liaison's role to proactively support economic development and job creation envisioned for the City
 - 2.5. Develop a Business Retention and Expansion (BRE) program that provides support and incentives directed at the promotion, maintenance, and expansion of existing firms that often feel disenfranchised in the efforts to recruit and accommodate new businesses
 - 2.6. Shepherd keystone development projects that align with redevelopment and revitalization goals

- 2.7. Build relationships with real estate brokers and developers, identify properties for development and market them to developers/investors
- 2.8. Identify empty buildings and actively recruit businesses and/or provide attractive window treatments during vacancy
- 2.9. Coordinate and host economic summits, targeted-industry roundtables, special events, seminars, and conferences as deemed appropriate for economic development
- 2.10. Compile and maintain critical information desired by potential business prospects, such as economic data, land and structure information, market data and business support resources in order to provide a consistent and reliable source of information about the benefits to locating in Annapolis
- 2.11. Support the hiring and management of a Permits Expediter/Ombudsman to assist businesses with the City, County and State permitting and inspection processes
3. **Develop a distinctive economic development brand** that complements existing cultural, heritage and tourism-related themes, maintains the unique small-town quality of life and historical charm of Annapolis and highlights its competitive assets defined by heritage and historical assets; academic institutions; recreational and maritime identity; its function as State Capital; proximity to the Chesapeake Bay; strong neighborhoods; and cultural arts
 - 3.1. Develop a marketing strategy with a common economic development brand and related sub-messages and a process for moving forward
 - 3.2. Create as the primary economic development collateral, a centralized, robust, easy-to-navigate, user-friendly, attractive and professional website for internal and external economic development support and marketing
 - 3.3. Ensure that the branded website promotes Annapolis in a manner that helps business targets to self-select needed support tools and resources, encourages local City and County residents to utilize amenities on a regular basis, and conveys a strong positive image to regional, national and international business targets, residents and visitors
 - 3.4. Increase the amount of positive local, regional, national and international publicity that Annapolis receives, such as success stories of local businesses, communicating the City's customer service improvement process, articles in industry association newsletters, relevant sponsorships, speaking engagements, and exhibits in conferences to promote business development in Annapolis
 - 3.5. Research and implement any cross-marketing tactics with similar cities with Main Street and Arts & Entertainment programs, as well as Historic Districts

Goal 2. Place - Preserve Community Character

Protect and reinforce the traits unique to Annapolis' character and heritage, recognizable in the historic downtown, the waterfront, vibrant cultural scenes and other special places, while expanding the commercial tax base and developing new employment opportunities, appropriate industries and desired quality of life in each of the City's six distinctive commercial neighborhoods.

Underlying Circumstances

For years, the City has supported six distinctive commercial districts made up of primarily small businesses: Historic Downtown, Eastport, Inner West Street, Upper West Street, Forest Drive, and West Annapolis. The cornerstone of the City's overall economic development strategy is

dependent upon preserving the distinct character unique to each of these business districts. Such a niche-specific strategy will also help Annapolis businesses distinguish themselves from their competitors, the more generic "big box" and "lifestyle centers" outside the City.

Goal 2 - Objectives & Actions

1. **Accommodate the preservation of traditional industries** that contribute to the City's quality of life, character and economy, such as the City's current strengths in maritime, tourism/hospitality and retail trade
 - 1.1. Conduct targeted studies as needed and then evaluate, develop and implement programs and policies to attract, serve and increase maritime businesses and maritime tourism to improve competitiveness and remain financially viable within the Chesapeake Bay region
 - 1.2. Strengthen the City's retail trade with specific programs, including but not limited to: web commerce, business intelligence analysis, price strategies, inventory planning and forecasting, supply chain/cross-channel fulfillment, enhancing customer relationships, merchandising, and store operations management
 - 1.3. Collaborate with stakeholders and partners to continue increasing the City's cultural and environmental facilities, programs, events and promotion to attract more high-value overnight, destination and heritage visitors
2. **Safeguard historic preservation** in a manner that protects our existing historic structures, yet allows for updating building infrastructure regulations and improving amenities to suit an increasingly competitive marketplace
 - 2.1. Partner with HPD/HPC to provide support to businesses affected by HPD/HPC approvals and violations
 - 2.2. Link historic preservation to heritage tourism to increase revenues from historic assets
 - 2.3. Increase education about the value of Historic Preservation to economic development
3. **Ensure an economically vibrant downtown commercial district** (Main St., City Dock, Market Space, Maryland Ave.)
 - 3.1. Conduct an Economic Survey and Analysis of the City's cultural landscape to better understand visitor needs and wants, how to best market the City to heritage tourists and to place an economic value on historic preservation
 - 3.2. Participate as a Board, or committee member and support the development of the Annapolis Partnership (AP) initiative, intended to strengthen the downtown core and ensure compatibility of AP's and the City's goals and regulations
 - 3.3. Recruit businesses that complement rather than directly compete with the Parole market
 - 3.4. Foster programs that strengthen existing downtown businesses to better compete
 - 3.5. Assist in the implementing a vision for the revitalization of the City Dock
4. **Encourage redevelopment and renewed investment in the six commercial districts** where it makes the most sense and with consideration for the environment, traffic impacts, and quality of life of surrounding City neighborhoods
 - 4.1. Identify the economic value of leading business sectors to the City
 - 4.2. Create a comparative commercial tax analysis of the City's six commercial districts
 - 4.3. Support continual long-range planning within the six City commercial districts and foster implementation of resulting recommendations; e.g., Sector Studies
 - 4.4. Analyze existing City of Annapolis investment in economic development-related programs (i.e., SBE staff, VAAAC pass-through support, historic property tax credit,

A&E District, Main Street program, AIPPC)

- 4.5. Systematically interview a number of property owners/business owners/residents in each of the six Districts to identify: problems and issues (e.g., permitting, parking, upper story usage, construction disruption, land use planning reforms and marketing) possible solutions, and specific actionable changes for improvement, and then assist in the implementation of recommendations
- 4.6. Periodically monitor the Economic Development Strategic Action Plan progress over a five-year period
- 4.7. In accordance with the current Upper West Street Sector Study, upgrade Upper West Street by implementing a smart-growth streetscape that will enhance its image, competitiveness, and possible linkages with surrounding development
- 4.8. Encourage compatible retention and rehabilitation of commercial/light-industrial areas in the vicinity of Chinquapin Round Road, Gibraltar Avenue/Admiral Drive and Moreland Parkway to help companies evolve to support today's new industries

Goal 3. Place - Move Toward a 'Green' Annapolis

Protect the community's natural resources and create a green and healthy living environment for Annapolis residents and visitors.

Underlying Circumstances

Issues of health and nature, including access to parks, healthcare and healthy food, are just as important as economic factors when considering where to live, work and play. Some of Annapolis' primary differentiators are the landscapes and special places that sustain the Chesapeake Bay's unique natural and cultural connections to the community. It makes sense to promote and protect this natural asset and augment it with access to other healthy activities and amenities.

In addition, Annapolis should continue to increase its number of green buildings, reduce the City's "carbon footprint," reduce impervious areas, upgrade stormwater management, increase the tree canopy in the City and encourage naturalized yards over traditional landscaping.

Goal - 3 Objectives & Actions

1. ***Integrate the vision of Annapolis as a world-class City into all aspects of City operations***, such as when planning and implementing master, neighborhood, bikeway, parks, recreation and open space plans
 - 1.1. Encourage green City operations; e.g., going paperless
 - 1.2. Foster green development/construction
2. ***Conserve and promote natural and manmade areas*** important to the community's character, environment and quality-of-life
 - 2.1. Coordinate existing planning efforts, such as the *2011 Bicycle Plan*, to complete a network of pedestrian and bicycle pathways to link parks, schools, open spaces, and other community resources
 - 2.2. Support the development and implementation of a department-level strategy to address a rise in sea level and to mitigate other hazards in order to preserve the vitality of the City
 - 2.3. Draft legislation if necessary to support Property-Assessed Clean Energy (PACE)

financing and promote the program to commercial property owners

3. **Attract and retain the types of businesses and industries that align with the City's health, recreation, green and hazard mitigation goals**
 - 3.1. Encourage the development of new and emerging industries, especially those that are clean and green, in order to diversify the local economy and support the City's green goals
 - 3.2. Assess and support the needs of a range of green-energy industries, such as energy-efficient equipment, HVAC, lighting, insulation, and windows, as well as wind power, solar, and biomass products
4. **Assist in promoting the City's initiatives that align with these same goals**, such as the Annapolis Renewable Energy Park, Annapolis Environmental Stewardship Certification Program, Let's Move! Initiatives, Bike Annapolis, etc.

Goal 4. Innovation – Enrich the Creative Economy

Develop and support diverse authentic cultural experiences in a manner that establishes Annapolis as a world-class and unique cultural destination to the benefit of its citizens, its creative community, its business sector and its visitors; is sustainable for future generations; fosters economic, community and neighborhood revitalization; and preserves a sense of place.

Underlying Circumstances

Success in today's global economy depends upon attracting and retaining the “creative class” (aka knowledge workers, creatives, and creative workers). This group of the nation's most progressive individuals in technology, knowledge, design, healthcare, law, and the arts accounts for a third of the country's workforce and about half of all wages and salaries. Such workers choose places to live, work, play and learn that place emphasis on quality of life factors such as: the environment, social offerings, recreational opportunities and aesthetic qualities—all in one place. Ideally, this includes active, exciting characteristics, including:

- An ideal combination of the built environment and the natural environment
- A proper setting for pursuit of creative lives
- Socio-economic diversity
- A palpable sense of community in the neighborhood
- A lively community life—varied restaurant cuisines, cafés, cultural options and opportunities for engaging in outdoor activities

The general consensus among relevant research studies is that creativity—the impulse and ability to think, feel and generate something new, original and meaningful—is critical to the future. It has been widely demonstrated that when participants in creative processes help shape the spaces, structures, systems and processes of a city, the result is added value and richness in the lives of the city's residents and visitors. Cities attracting, developing, and nurturing creative practitioners and thinkers will also attract and retain companies, residents and visitors.

Goal 4 - Objectives & Actions

1. **Foster unique and innovative culture, heritage, arts, entertainment, recreation and technology businesses** that clearly distinguish Annapolis from other communities

2. **Raise awareness, participation, and support that culture and heritage are integral to a strong economy and quality of life**
 - 2.1. Ensure that Annapolis is recognized as a center of excellence for culture, heritage, arts, entertainment, recreation and technology
3. **Assist with resources and place-building activities in the Arts & Entertainment District** to ensure compatibility with the City's goals, regulations, etc., to the benefit of property owners, tenants, artists and surrounding communities
 - 3.1. Participate with the A&E District as a liaison, and board or committee member on an ongoing basis
 - 3.2. Help facilitate a comprehensive approach for enhancing the A&E District
 - 3.3. Inventory available building/studio/living spaces in the A&E District, identify related policy issues and implement changes as needed
 - 3.4. Ensure a dynamic mix of established, emerging, and start-up artists and cultural organizations
 - 3.5. Support and connect established artists and cultural organizations with those that are new and emerging, some by relocation and others by linkages
 - 3.6. Attract complementary businesses and actively recruit out-of-town artists, encourage their integration into community life, and foster their development
 - 3.7. Propose and implement public policies to encourage developments that provide affordable live/work units and affordable workforce housing to ensure that visual, literary, performing and folk artists have the support and means to live, work and craft an economically prosperous future
 - 3.8. Assist local arts nonprofits to increase their financial capacity and programming
 - 3.9. Develop connections between the City's A&E population and amenities and creative workers to foster innovation in the commercial sector
4. **Ensure a dynamic mix of publicly accessible arts of the highest quality** throughout Annapolis that reflect the vitality and diversity of the people and businesses within the area
 - 4.1. Emphasize quality (vs. quantity) in every aspect of the associated programs, rather than shoestring-budget efforts
 - 4.2. Encourage special evening and weekend festivals of music, dance, theater, art, or other cultural experiences at heritage area sites
 - 4.3. Assess the City of Annapolis's investment in culture and entertainment and recommend changes in programming and funding that are innovative, relevant, strategic, and competitive

Goal 5. Innovation - Work Collaboratively

Strengthen County, State, regional, national and international cooperation to ensure the City's economic success.

Underlying Circumstances

The City's prosperity will be dependent on achieving a vital and resilient economic environment that welcomes globalization, embraces cultural diversity, takes a broad view, reaches out, creates new opportunities and forges practical alliances. Partnerships with business organizations and jurisdictions that contribute to the City's fiber, such as the merchant and maritime associations, the historic preservation groups, and other area economic development partners are vital to

sustainable attraction and retention of businesses that contribute to a healthy tax base.

As Anne Arundel County continues to grow around the City, and up to its edge, issues affecting the future of Annapolis are increasingly regional rather than local in scope. As non-City-resident populations pass readily between the City and County, the City faces significant growing impacts to its transportation options, public services, public safety efforts and community spirit. In order to provide relevant economic development programs to meet today's ever-changing economy, the City must work collaboratively more than ever with external officials, nonprofits and larger employers, such as banks, corporations, educational institutions, and medical centers.

Goal 5 - Objectives & Actions

1. **Act as a key liaison to strengthen active partnerships** between the City, local, regional and State organizations involved in economic development (such as the Business Leader's Group, AP, A&E District and arts organizations, AAEDC, AAACCC and other local business associations, VAAAC, AAWDC, SBA, SBDC, SCORE, AACC, MD-DoC, USNA, St. John's, government agencies, nonprofits, etc.) and with private businesses to facilitate coordination, programming, communication and outreach of economic opportunities
 - 1.1. Identify collaborative partners for implementing needed business-support programs; e.g., organizations that already concentrate on training business startups
 - 1.2. Conduct regular meetings with stakeholders and partners to accommodate more dialogue, communication, consensus building, public awareness, public involvement and volunteer advisors to identify opportunities for enhanced business development in the City
 - 1.3. Cooperate with AAEDC in recruitment of businesses and identification of economic development opportunities that benefit both the City and the County
 - 1.4. Collaborate with AAEDC to provide the financing, technical and regulatory guidance in support of City investors, real estate brokers and businesses
 - 1.5. Identify and adopt software tools already available for intelligence and enhance efficiencies; e.g., AAEDC's SalesLogix, CoStar, City's TrakIt, etc.
 - 1.6. Facilitate better connections between businesses and academia, mentors, and financial support
 - 1.7. Attend quarterly MD-DoC meetings
 - 1.8. Ensure that all support organizations' marketing and messaging align with the City's
2. **Engage experts on an ongoing basis** to help assess the market, identify opportunities and manage change (including experts in real estate, economics, property management, data management, design, and organizational development)
 - 2.1. Develop an "unsolicited offer" opportunity to attract innovative concepts for the City to consider implementing
3. **Find money to accommodate programs**, including sponsorships, grants, tax incentives and private capital when possible and implement the most cost-effective and relevant options related to the economic vitality of City

Goal 6. Access and Affordability - Provide Opportunity to a Diverse Population

Recruit, attract, expand, and retain businesses that create local jobs and strive to increase the number of higher paying local jobs in a manner that ensures that the economic environment in Annapolis meets the interests and needs of a diverse population, including the wide range of

ethnicities, incomes and ages in the community, as well as people with disabilities.

Underlying Circumstances

Demographics today are changing and all ages and socio-economic populations must be better integrated into economic development plans. Successful economic development in its simplest form is the creation of economic wealth for all citizens within the diverse layers of society so that all people potentially have access to an increased quality of life.

In terms of ethnicities, according to the U.S. Census, today only 53.5% of Annapolis' residents are "White alone" (excludes White Hispanic or Latino). In 2012, minorities owned 30% of businesses in America, up 38.1% from 2007, and women-owned firms were up 26.8% from 2007.

Also, as highly paid workers move into Annapolis, home values have risen, pushing many middle-income workers—firefighters, teachers, nurses, corporate office workers—to move to more affordable outlying areas. Without these middle-income neighborhoods, economic and social mobility becomes even more difficult for the less educated, less professionally successful population. Despite everything else Annapolis does to promote the City as a hotbed of economic opportunity—inequality and poverty and the resulting social issues could easily drive people, businesses, and economic opportunities away.

In addition, today's new generations want culture, access and on-demand services – and they want it all now. As the City adapts to accommodate digital-native Millennials and Generation Z, the new "sharing" economy (\$335 billion in global revenues expected by 2025, up from today's \$15 billion) and other emerging industries—creating a culture of innovation and connectivity (e.g., high-speed internet access) has become an important factor in attracting new residents and businesses.

Further complicating the matter is the fact that jobs have also changed—and they will continue to change. It is not just the jobs themselves that are changing, but also the skills workers need to do them. The combination of globalization, advances in technology, and increased demand for workers with higher skill levels has produced a demand for improved education, skills, and capacities of workers, entrepreneurs, and managers.

The City must serve a healthy and diverse mix of economic, demographic and multi-cultural groups, especially disadvantaged and marginalized residents and businesses, such as minority- and immigrant-owned, in a manner that enables all residents to contribute to the City's success and prosperity.

Goal 6 - Objectives & Actions

1. **Foster economic diversity** to reduce the City's vulnerability to a single business sector
 - 1.1. Cultivate both larger high-growth, high-wage employers *and* smaller, locally owned entrepreneurial businesses and startup firms to ensure that all residents have opportunities to participate in the city's economic success
 - 1.2. Coordinate the Small and Minority Business Development liaison's goals to provide support resources, such as increased access to high-quality training opportunities and

- assistance to start and grow businesses in their neighborhoods and downtown
2. **Attract and provide assistance to those types of industries that best capitalize on Annapolis' strengths** and are potentially most beneficial to the City's employment base, fiscal soundness, related development goals and economic diversity
 - 2.1. In a manner that facilitates people working where they live, advocate for zoning and other regulatory provisions that accommodate teleworking, home-based micro-enterprises, and other small entrepreneurial businesses in a manner that is compatible within the abutting and surrounding neighborhoods
 3. **Continue to foster economic, community, and workforce development** programs and incentives that: increase the supply and variety of housing, provide support to underserved populations, and attract businesses into targeted redevelopment areas
 - 3.1. Expand entrepreneurial, job training, and placement programs for lower-income City residents, from youths to seniors
 - 3.2. Encourage City businesses to apply for appropriate workforce training assistance, and to work with AAEDC and the County's Workforce Development Corporation to assist City businesses in accessing workforce training programs
 - 3.3. Facilitate collaborative relationships with other public agencies, the School Board, the community college system, other higher education institutions, nonprofit organizations, and private businesses to implement workforce training programs
 4. **Leverage increased Internet connectivity, bandwidth and technologies** to enable greater efficiencies, access, socio-economic equality and mobility
 - 4.1. Increase City technology infrastructure to embrace cultural changes such as "Internet of Things", intelligent transportation systems, sharing economy, increased broadband requirements, etc.
 - 4.2. Improve the City's use of technology, software, data collection and training programs to improve communications and maximize the ability to: extract actionable intel from the City's database resources, simplify online applications, conduct online permit filings and bill paying, and track the status of a document/project throughout its lifecycle among all stakeholders

Goal 7. Access and Affordability - Reduce Dependency on the Auto

Expand Public Transportation to provide connections to major job centers, both inside and outside the City and when possible, make it reliable, fast, frequent and free.

Underlying Circumstances

Opportunities to widen or build new roads are limited and costly, and automobile-oriented development has worsened traffic congestion. Annapolis buses provide service around the City and to nearby destinations, yet funds to continue this service have shrunk and commuter bus service to regional employment centers is limited. It is also perceived as unreliable, causing many to abandon it.

New directions have emerged for the nation's neighborhoods and suburbs driven by demand for transportation options and walkability. Demand is plummeting for traditional, auto-oriented suburbs. According to the American Planning Association, fewer than 10 percent want to live in a suburban neighborhood where people have to drive most of the time. People increasingly value

walkability, transportation options, and proximity to key resources and amenities.

Goal 7 - Objectives & Actions

1. **Work with local and regional transportation and parking stakeholders** to develop efficient, dependable public transportation within and out of the City, and more fringe parking options to accommodate residents', workers' and tourists' needs to link with Parole and other surrounding attractions, amenities and jobs
2. **Assist in promoting transportation and parking services and options**
3. **Increase transit-oriented development, transit options and non-auto modes of transportation** for all socio-economic categories, via raising awareness, improved amenities and schedules and increased technology usage
 - 3.1. Help publicize the network of pedestrian and bicycle pathways and other non-auto modes of transportation
 - 3.2. Increase technology use to promote transportation alternatives to the auto and make the City less car-centric, such as walk, bus, bike promotions
 - 3.3. Support implementation of mobile apps and variable message signage to provide dynamic parking info
4. **Foster new types of alternative- and clean-transportation businesses**, such as non-auto transportation, micro-transit and ride-sharing services

Plan Evaluation

Following are several performance metrics that could be used by Annapolis's leaders to track progress and evaluate the success of the Economic Development Strategic Action Plan:

Business Development and Entrepreneurship

- Increased job growth in target industry sectors
- Increased net annual new firm creation
- Increased percentage of companies classified within a target business sector
- Increase in ratio of commercial-to-residential property taxes
- Increase in ratio of tax revenue to cost of service
- Reduced business acquisition costs

Infrastructure & Sites

- Successful construction progress and completion of new projects, especially in revitalization and opportunity areas
- Increased percentage of new homes and buildings built in Annapolis that classify as affordable living and/or "green"

Quality of Life

- Increased percentage of total population aged 25-44
- Increased percentage of total graduates from higher education institutions living in the City one year after graduation
- Decreased poverty and crime rates

Marketing

- Increased media mentions related to Annapolis business activity
- Increased number of qualified target industry leads contacting Annapolis' Economic Development Division or other economic development-related organizations (e.g., Anne Arundel County, Chamber of Commerce, or local real estate agency) about business expansion, relocation, or start-up in Annapolis
- Increased hotel occupancy in downtown Annapolis and the immediate surrounding area
- Increased visitor spending

Strategic Action Plan Elements Defined

The following terms are used throughout the plan:

- **Vision** – The dream of what you want the City to be. Vivid mental image of Annapolis in its full and optimized maturation.
- **Mission** – Broad description of the City's commitment—what it does, with/for whom, its distinctive competence, and why; the ultimate end.
- **Strategic Plan** – Set of Goals and Objectives that are intended to help move Annapolis toward its Mission.
- **Goals** – Broad statements of what the City hopes to achieve in the next 3-5 years, focused on outcomes or results and qualitative in nature.
- **Objectives** (X.) – Specific policies and actions to be implemented.
- **Actions** (X.X.) – Primary activities and subtasks to accomplish goals and objectives

The phrase “culture” is used throughout the Plan to refer collectively to all aspects of culture, including heritage, arts, entertainment and recreation.

- **Culture** is the knowledge of our heritage. This includes the history of people and places, past and present activities, communications, values and understanding of the world via the arts and sciences.
- **Heritage** refers to something inherited from the past. Natural heritage refers to an inheritance of fauna and flora, geology, landscape and landforms, and other natural resources. Cultural heritage refers to the legacy of physical artifacts, such as buildings, historic places, monuments, artifacts, and intangible attributes of a group or society, including social values and traditions, customs and practices, and other aspects of human activity. These places and activities authentically represent the stories and people, past and present, which are considered significant to the archaeology, art, architecture, science or technology of a specific culture.
- **The arts** are a vast subdivision of culture, composed of many creative endeavors and disciplines. The arts encompass original expressions in the visual arts, literary arts and the performing arts, such as music, theatre, dance and film.
- **Entertainment** is the engagement of the mind through activities of personal choice. This may be a passive individual diversion during some leisure time, or a shared experience, such as a concert, festival, sports event or other activity. For this plan, much of what is understood to be **recreation** today is viewed here as included in entertainment.