

Chapter 9. ECONOMIC DEVELOPMENT

Economic Development Vision: *To create the conditions for self-sustaining, long-term growth in Sussex County.*

9.1 INTRODUCTION

Historically, agriculture and forestry have been the dominant forces in Sussex County's economy. With over \$3.5 billion in total output¹, the agricultural sector continues to be a large component of Sussex County's economy. However, recently the tourism sector has been gaining ground. For example, in 2015, tourism generated over \$1.8 billion in direct tourism sales (Southern Delaware Tourism, 2016). Tourism is concentrated in the eastern part of the County along the coast, while agriculture activities tend to concentrate in the western part of the County. While there are some commonalities between the needs of each industry, they are very different industries. This has led to a dichotomy between the economic development needs of the eastern and western parts of the County.

Sussex County's manufacturing industry continues to diversify. In addition to food manufacturing and processing, major manufacturing sectors include aeronautical, construction, craft brewing/bottling, fabrication and pharmaceutical. Recent developments include Perdue Agribusiness's plans to build corporate offices in Delmar, upgrades to the Allen Harim plant in Harbeson, and one of Sussex County's most iconic brands, Dogfish Head, continuing to expand within in the County.

Sussex County's location, low taxes, temperate weather, and beautiful landscapes have helped to make it an attractive home for new residents. As discussed in the Population and Demographics Chapter, growth in Sussex is outpacing the state and other counties in the region. While the County is growing, it is also getting older as more and more retirees decide to call the County home. As a result, healthcare is exploding in Sussex County. Along with three expanding hospitals, there are extended-care and extended living facilities across the County.

The growing population is also putting pressure on the agriculture sector. As more and more farmland is converted to residential developments, more and more residents are living closer to active agricultural operations and these operations continue to be larger and more productive. This has led to increased conflicts between residents and farmers. The County needs to balance the concerns of residents with needs of one of its most important industries.

There are six key ingredients for economic development – available land, skilled and available labor, high speed internet (fiber optic), natural gas, affordable electricity, and water/sewer. With expansion of the Delaware Coastal Business Park, there will be a number of shovel ready sites with access to natural gas and fiber optic infrastructure. With Del Tech and Sussex Tech, Sussex

¹This includes over \$1 billion in direct agricultural (on-farm) activities, \$2.5 billion in value-added processing and food manufacturing, and over \$30 million in agricultural support activities.

County has the job training infrastructure in place to meet the needs of current and future employers. While the natural gas and fiber optic infrastructure within the County has expanded over the last few years and will continue to expand, the lack of availability in some parts of the County is a hindrance to economic development. Many parts of Sussex County also enjoy access to low cost electricity, which should make the County attractive for large electricity users.

An advantage for Sussex County is its location. The County is within a 2-hour drive of major cities, including Philadelphia, Baltimore and Washington, D.C. – all are less than 100 miles away. Nearly 25 percent of the United States’ population is within an eight-hour drive of Sussex County, putting customers and markets easily within reach. From a commercial perspective, Sussex County has the foundation for good transportation infrastructure. Three four-lane highways link Sussex County to regional interstates, including I-95. Local rail lines feed into the Norfolk Southern rail system, with connectivity to the regional CSX network. The Nanticoke River links Sussex County to the Chesapeake Bay. The Delaware Coastal Airport provides connection to number of destinations.

In order to best understand the potential future growth of Sussex County, it is essential to analyze Sussex County’s demographic and economic trends, compare them to neighboring counties, and contextualize how Sussex County fits into the larger region. This plan chapter begins with a discussion of Sussex County’s two most iconic sectors – agriculture and tourism. It then includes a discussion of the County’s economy in general, including some data and statistics on the structure of economy and workforce and background information on economic development resources. The chapter concludes by listing the economic development goals and objectives and offering strategies to achieve the goals.

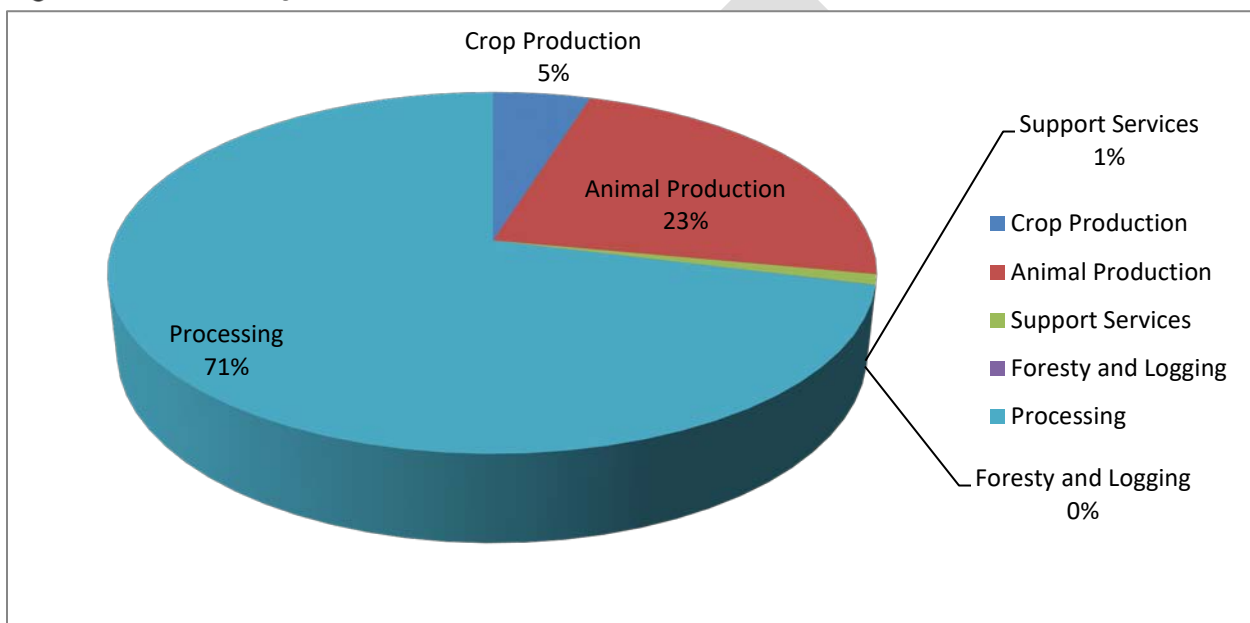
9.2 AGRICULTURE AND FORESTRY

9.2.1 Agriculture

Agriculture is an important sector for the overall economy of Sussex County and it provides a strong economic foundation. Sussex County is the foremost agricultural county in Delaware. As of 2018, Sussex County has over 277,000 acres of farmland – over 100,000 more acres than Kent County and more than Kent and New Castle Counties combined. The impact of the agricultural sector in the County goes beyond the production and employment that occurs on the farms. It also includes the food manufacturing sector, such as poultry and vegetable processors, and support activities. The agricultural industry has experienced a number of changes in recent years – consolidation of small farms, the introduction of innovative production technologies, changes in consumer demands and tastes, and others. Given the importance of agriculture to Sussex County, it is important to have an understanding of the size of the industry and to look at recent trends in the industry.

All told, the agriculture sector in Sussex County is responsible for over \$3.5 billion in direct economic activity², including over \$1.0 billion in on-farm activities, \$2.5 billion in value-added processing, and over \$30 million in agricultural support industries. The value-added food processing sector accounts for over 72 percent of the total direct economic output of the industry, with animal production accounting for an additional 23 percent and crop production 5 percent. All told, the combined agricultural sector amounts to over 20 percent of the total output of all industries in Sussex County.³ The combined agricultural sector (on-farm production, food processing, and support) directly employs over 9,800 employees and supports over \$400 million in labor income.

Figure 9.2-1 Direct Agricultural Activities



Source: IMPLAN (2017)

The impact of the agricultural sector in Sussex County goes far beyond the direct impacts described above. The indirect effects measure the effect of the agricultural sector on non-agricultural industries that supply inputs and services used by the agricultural industry. The induced effects measure the impact of expenditures by households that receive income from the agricultural sector either directly or indirectly. A study by the University of Delaware's College of Agriculture and Natural Resources⁴ estimated that the output multiplier for the combined

² The \$3.5 billion is based on analysis of data for Sussex County obtained from the IMPLAN economic modeling system for 2015.

³ Based on data from the IMPLAN economic modeling system, the total output of all industries in Sussex County was \$16.8 billion in 2015.

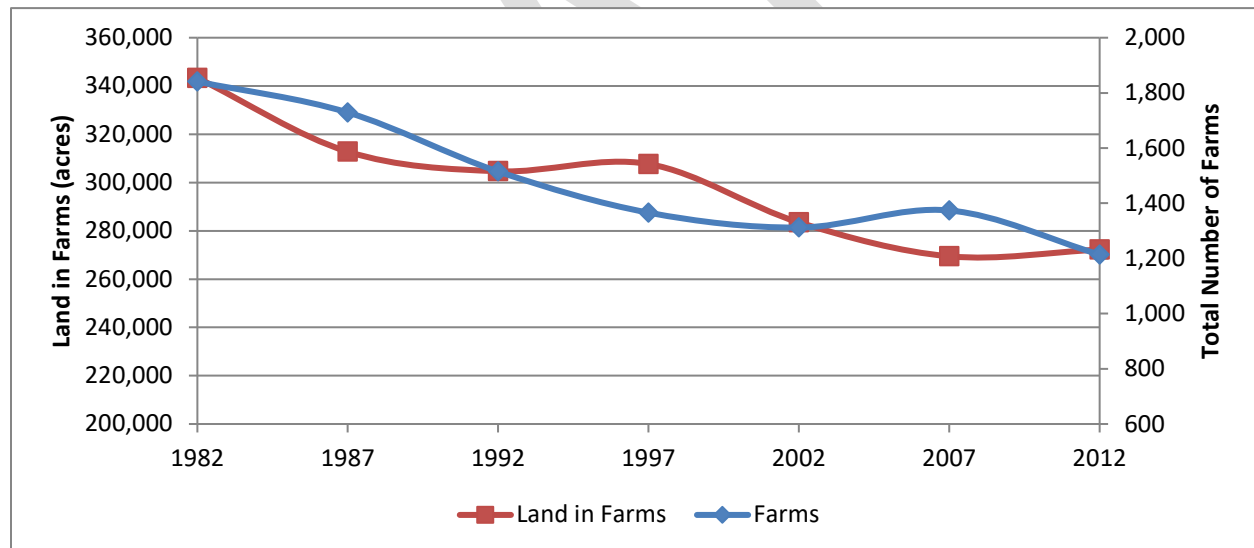
⁴ Awokuse, 2010.

agricultural sector in Sussex County was \$1.29⁵ – every dollar in direct output supports \$0.29 in indirect and induced impacts within the County. This results in a total economic impact of \$4.5 billion (\$3.5 billion direct economic output and over \$1.0 billion in indirect and induced economic output). This represents over 27 percent of the economic output of the County.

The employment multiplier for the combined agricultural sector is 1.60 – for every direct job 0.60 indirect and induced jobs are supported. All told, the agriculture sector supports nearly 15,700 total jobs. This sector supports over \$640 million in total labor income, which amounts to a labor income multiplier of \$1.61.

The total acres of land in farms have steadily been decreasing over the last 30 years from 343,000 acres in 1982 to 272,000 in 2012, a decrease of over 20 percent. Over the same period, the number of farms⁶ has decreased from 1,841 in 1982 to 1,241 in 2012, a decrease of 34 percent (Figure 9.2-2). This suggests that the trend of consolidation of smaller family farms into larger farm holdings that was witnessed during the 1997 to 2002 period has continued and will likely continue into the near future. However, the remaining farms have become more productive. According to USDA Agricultural Census data, average productivity per farm in Sussex has increased over 70 percent from 1992 to 2012.

Figure 9.2-2 Total Acres of Land in Farms and Total Number of Farms 1982-2012



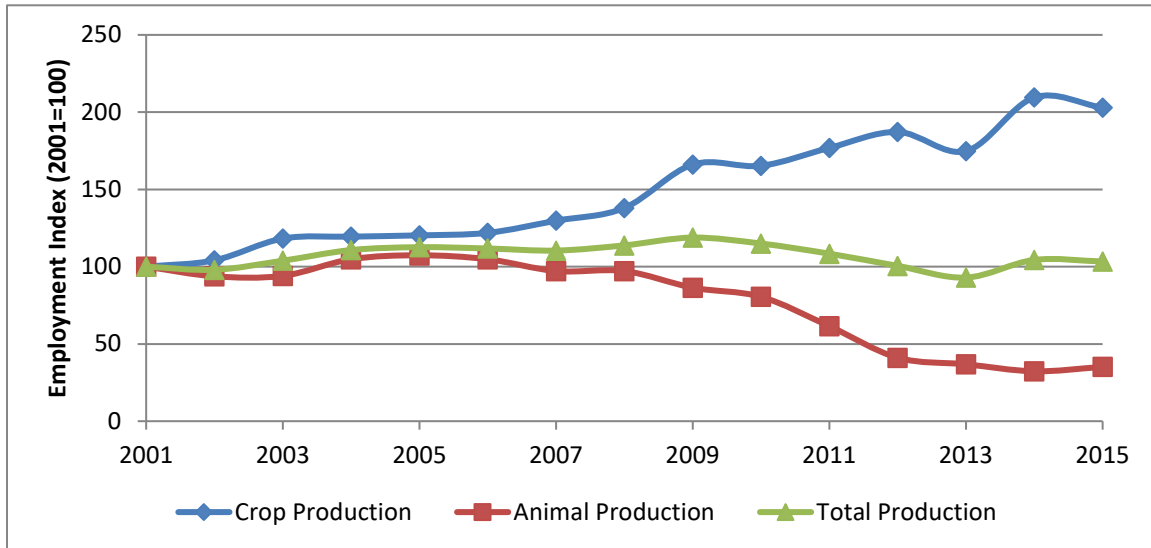
Source: USDA Agricultural Census (1982, 1987, 1992, 1997, 2002, 2007, 2012)

⁵ For comparison purposes, the equivalent multiplier for the tourism sector is \$1.20 (every dollar of direct spending in the tourism sector generates \$0.20 of additional economic output. The agricultural sector produces \$0.09 of additional economic activity compared to the tourism sector.

⁶ The United States Department of Agriculture’s (USDA) Census of Agriculture define a “farm” as any place from which \$1,000 or more of agricultural products were produced and sold in a year. Please see: https://www.agcensus.usda.gov/Publications/2012/Full_Report/Volume_1_Chapter_1_US/usv1.pdf for additional information.

Total on-farm agricultural employment has remained relatively flat over the 2001-2015 period; however, there have been some changes in the distribution of employment across agriculture sectors. Employment in crop production has more than doubled, while employment in animal production has declined by nearly 65 percent (Figure 9.2-3).⁷

Figure 9.2-3 Change in Agricultural Employment, 2005-2015, Sussex County, DE⁸



Source: Bureau of Labor Statistics (BLS) (2016)

The decrease in employment in the animal production sub-sector has also coincided with a significant increase in the average production per worker. The tremendous gains in efficiency have resulted in fewer producers and farm laborers, working on larger farms, producing more. The gains in production have come through innovations, better technology, application of biological scientific discoveries, and increased productivity (Awokuse, 2010).

As discussed above, the agriculture sector in Sussex County goes beyond the on-farm employment. In order to get a full accounting of the impacts of agriculture, the impact from the processing of agriculture products should also be considered. Employees that work at the poultry and vegetable processing facilities located throughout Sussex County are not counted as agricultural employees, but are rather considered part of the Food Manufacturing sector, which falls under the larger manufacturing sector.

In 2015 the total number of manufacturing jobs in Sussex County was 9,652 and the food manufacturing sector accounted for 6,641 (nearly 70 percent) of the manufacturing jobs. Since

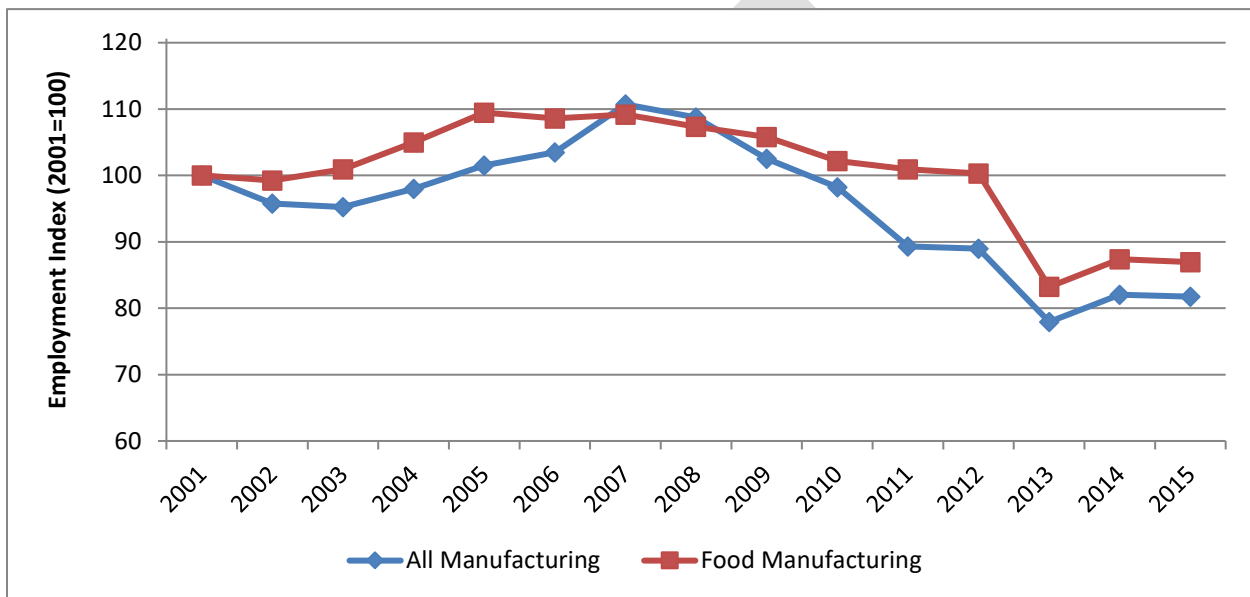
⁷ It is important to note that there are many unfilled job vacancies that are not accounted for in Figure 10.2-3.

⁸ The data is presented as an index value where 2001 is equal to 100. An index can help visualize industry employment growth year-over-year. An index value of 100 means that the industry has the same amount of employment as it did in 2001, a value over 100 means that employment has increased compared to 2001, and a value of less than 100 means that employment in the sector has declined compared to the base year.

2001, food manufacturing jobs have accounted for an average of 68 percent of manufacturing jobs.

As illustrated in Figure 9.2-4, employment in the food manufacturing sector reached a peak in 2005 and has been declining since. The sector experienced a big decline between 2012 and 2013 as a result of the closing of the Pinnacle Foods plant in Millsboro – by 2013 employment in the sector was 83 percent of the 2001 level. The sector began to recover in 2014 and 2015, although employment is still below its 2001 level – employment in 2015 was at 87 percent of the 2001 level.

Figure 9.2-4 Change in Manufacturing and Food Manufacturing Employment, 2001-2015, Sussex County, DE⁹



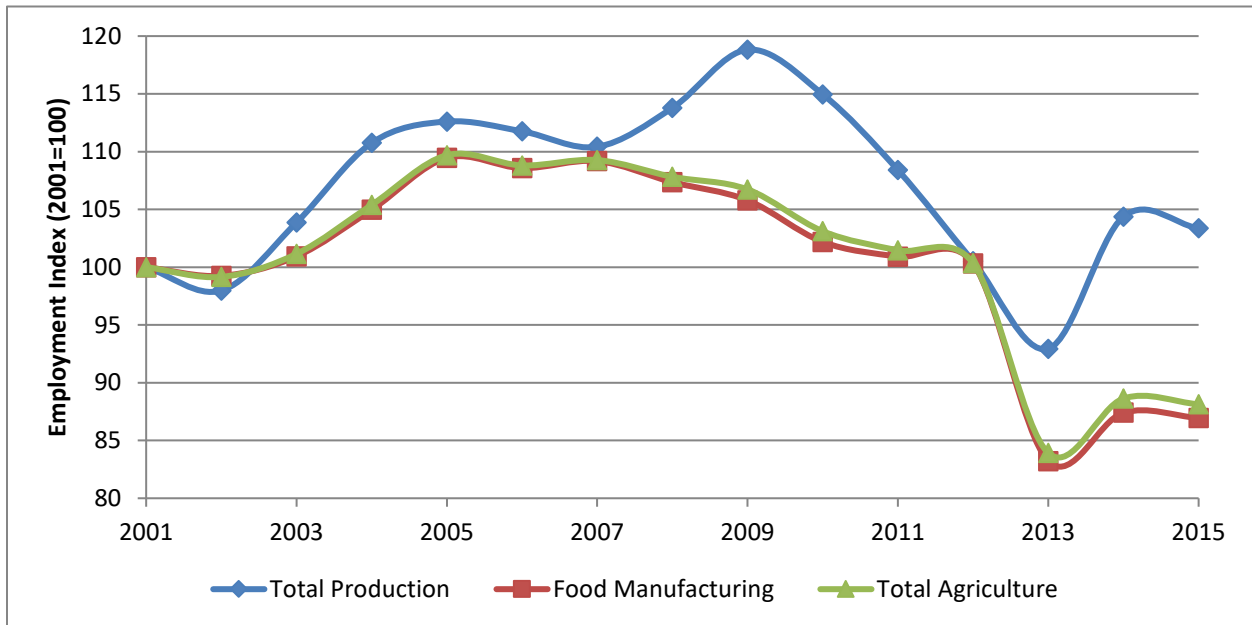
Source: Bureau of Labor Statistics (BLS) (2016)

Figure 9.2-5 summarizes the trends in employment for the agricultural production sectors (animal and crop), the food processing sectors, and the total employment in the agricultural sector. Total employment in the combined agricultural sector closely tracks the employment in the food processing sector. This is not surprising when one considers the fact that the food processing sector generates over 70 percent of the output of the sector (Figure 9.2-1). Given the importance of the food processing sector, the County needs to ensure that there is adequate land available for the expansion of the industry and that the necessary infrastructure is available to support the industry, this includes removing unnecessary regulatory and administrative hurdles, the availability of natural gas, electricity, high-speed internet. In addition, the County should evaluate

⁹ The data is presented as an index value where 2001 is equal to 100. An index can help visualize industry employment growth year-over-year. An index value of 100 means that the industry has the same amount of employment as it did in 2001, a value over 100 means that employment has increased compared to 2001, and a value of less than 100 means that employment in the sector has declined compared to the base year.

the concept of establishing voluntary agribusiness areas or districts that are centered around existing infrastructure in AR-1 zoning that allow agricultural uses or other compatible uses.

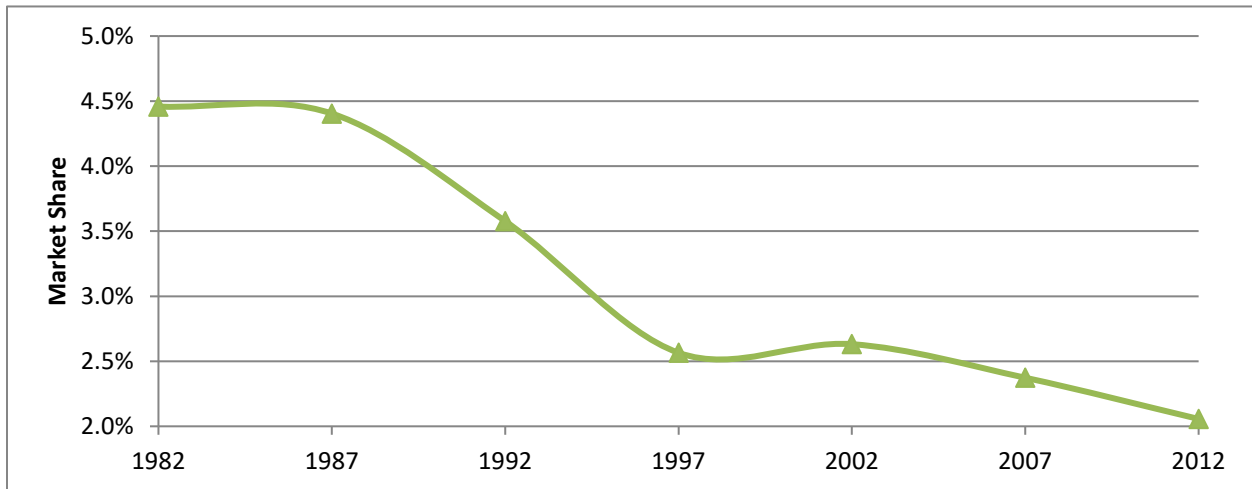
Figure 9.2-5 Change in Total, Food Processing and Agricultural Production Sector Employment, 2001-2015, Sussex County, DE



Source: Bureau of Labor Statistics (BLS) (2016)

The agricultural sector, both production and processing, is highly concentrated in the poultry sector. Although producers of dairy, beef, and pigs exist in the County, over 80 percent of the output of the production sector is related to production of chickens. Similarly, while vegetable and seafood processors also exist, over 83 percent of the output in the food processing sector is related to the poultry processing sector. While the County is ranked number one in the Country for poultry production in 2012, the national dominance of the industry has been declining over time. As illustrated in Figure 9.2-6, the market share of the County has declined from over 4.5 percent in 1982 to 2.1 percent in 2012.

Figure 9.2-6 Change in Poultry Production Market Share 1982-2012



Source: USDA Agricultural Census (1982, 1987, 1992, 1997, 2002, 2007, 2012)

Including both the direct and indirect/induced impacts, the combined agricultural sector is responsible for over 27 percent of the total output of the sector. Given the importance of the poultry sector, in terms of both production activities and processing, the County should take steps to both maintain the health of poultry industry while at the same time taking steps to encourage the diversification of both the production and processing sectors. Taking steps to help diversify both the production and processing sectors will help ensure that the agriculture sector is able to withstand any external shocks to the poultry sector.

Sussex County is also in the top two percent nationally for the value of vegetables sold and is also a key regional leader in the production of soybeans, corn, and wheat. The County needs to ensure that there is adequate land available for the expansion of the industry and that the necessary infrastructure is available to support the industry. In addition, the average age of farmers in Sussex County in 2012 was 58.4 years old. In order to help preserve the sector into the future, County should explore ways to encourage younger people to enter the farming sector.

9.2.2 Forestry

Over the last two decades, significant losses of forestland have occurred in Sussex County. The large loss of Sussex County forestland is one of the driving forces behind the net-loss of forests in Delaware (US Forest Service, 2011). It is also one of the driving factors in the decline of the forestry sector in the County.

While the forestry industry in Sussex County has never been large¹⁰, the industry is an important sector for the County. The harvesting and processing of forestland produces a stream of income

¹⁰ It is important to note that size of the forestry industry in Sussex County does not meet the minimum disclosure requirements for BLS, which means that there are too few forestry industry establishments and employees to permit the release of data. As such, we are unable to obtain data on the employment of forestry sector in Sussex

shared by timber owners, managers, foresters, loggers, truckers, and processors. A stable robust and diverse market for all forest products contributes to Delaware's economy and helps ensure long term sustainability of the industry. Additionally, income-generating forestland makes it less likely for landowners to convert their forestland to other non-forest uses, such as residential development.

There has been virtually no new investment in (primary) wood processing industries in Delaware. Delaware only has a handful of small sawmills and no paper mills or other solid wood product industries. The number of sawmills in surrounding states that purchase Delaware timber continues to shrink – particularly pine sawmills. In recent years, at least four pine sawmills have closed on the Delmarva Peninsula. This has produced a dramatic decrease in timber demand from Delaware in general, and Sussex County in particular.

The loss of processing facilities makes it harder for landowners to find markets for their timber. Currently Delaware sawmills only process about six percent of industrial roundwood harvested in the state. Out-of-state pulp mills receive more than half of the total industrial roundwood harvested in Delaware. There may be an opportunity and sufficient timber to open a new roundwood processing facility Sussex County (Delaware Forest Service, 2010). Bio-energy is a developing market that could provide new demand for low-quality hardwoods, but Delaware's existing incinerator law severely restricts the use of wood for bioenergy purposes. The additional processing capacity in Sussex County will make it more viable for landowners to sell their timber and will also allow the County to capture the processing jobs and economic value that is currently going to other states.

The price of wood is another limiting factors to growth of the forestry sector in Sussex County. As such, sawmills and wood processing facilities will likely require some type of economic incentives, such as tax breaks, subsidies, or other incentives, in order to be economically viable.

9.3 TOURISM

Rehoboth Beach is commonly known as the "Nation's Summer Capital." Tourists to Sussex County spent \$1.8 billion in 2015, an increase of over 4.2 percent from 2014 (Southern Delaware Tourism, 2016). The tourism sector in Sussex County employed over 19,000 individuals in 2015, the most recent year for which data is available. Employment in the sector has increased over 37 percent between 2003 and 2015.

Tourism spending in Sussex County has a multiplier effect of 2.2 which means that for every dollar spent directly by a visitor, it generates \$1.20 in additional economic activity in the local economy (Southern Delaware Tourism, 2016). In 2015, this resulted in \$2.16 billion in additional economic activity.

County either currently or overtime. However, IMPLAN estimates the size of commercial logging industry at 30 employees and sawmill employment at 14.

While the beaches are probably the biggest draw for tourists to Sussex County, they are not the only tourist attraction that the County has. Given the size of the agriculture industry, there is a large potential for agri-tourism in the County. This will help draw tourists to the County during the off-season and also provide farms as well as tourism related business (restaurants and hotels) with additional sources of revenue. The popularity and national recognition of Dog Fish Head Brewery is another tourist resource that Delaware can capitalize on.

In addition to generating economic activity, tourism has the potential to generate additional catalytic impacts. Tourism marketing drives broader economic growth by sustaining air service, creating familiarity, attracting decision makers, and improving the quality of life in a place. As a result, cities and states that prioritize destination marketing and coordinate these efforts with economic development initiatives have experienced significant site relocations and new investments as a direct result. Research has found that a 10 percent increase in a destination's visitor-related employment relative to the U.S. average tends to be followed by a 1.5 percent rise in broader employment in the short-run (Oxford Economics, 2014).

Destination marketing and promotion should be prioritized in light of the substantial dividends that it is capable of producing. Indeed, there may be few other investments which are capable of yielding such a broad set of impacts. Given the size, growth, and catalytic benefits of destination promotion, the further development of the leisure tourism market in the County should be a priority.

Sussex County needs to develop a brand that appeals to both visitors and investors. The County's destination marketing organization (DMO), *Southern Delaware Tourism*, should work together with the County Economic Development Office and County officials to ensure that the Excite Sussex campaign and the efforts of the DMO complement each other. This would include the creation of the shared brand message and the communication of the brand through all channels of sales and marketing. This will provide consistency across the various organizations that are marketing the County (both economic development and tourism) and over time will likely produce the strongest results.

In addition, given the importance of a destination's characteristic to decision making of investors and site selection professionals, working with the DMO will help the Economic Development Office to strengthen economic development pitches by providing marketing content and experiences to visitors.

9.4 ECONOMIC BASE AND EMPLOYMENT

It is important to understand the types of businesses and industries in Sussex County that have prospered, are currently prospering, and are most likely to prosper in the future. This requires an understanding of the structure of the County economy and its strengths and weaknesses.

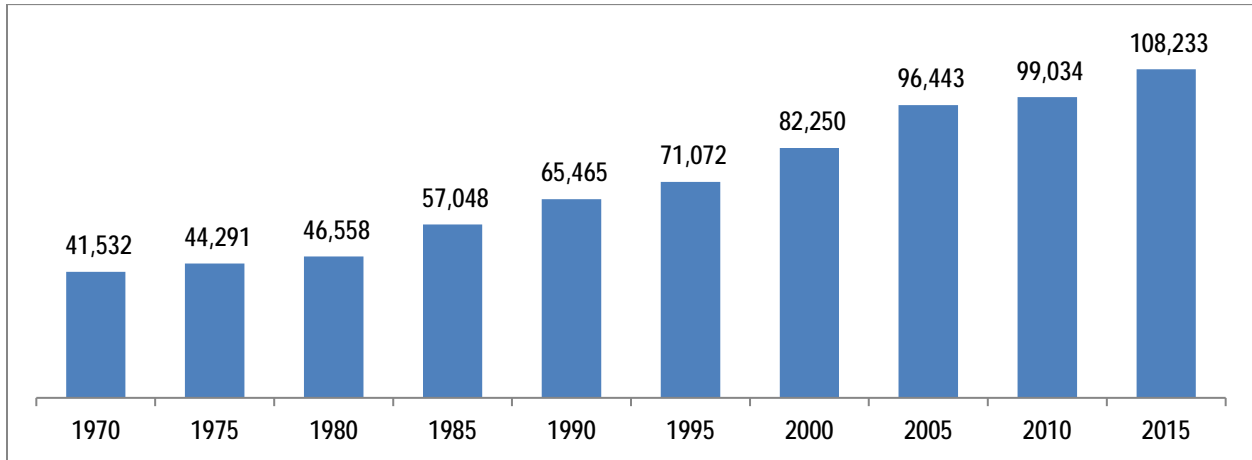
Sussex County's early industry and commerce were centered on agriculture and livestock. The local economy expanded due to the introduction of the railroads, which helped the development of inter-state trade and the local tourism industry.

Recently there has been significant private sector business investment in the County. This includes investments by the agricultural sector, such as the decision by Perdue Agribusiness to move their headquarters to Delmar. Investments by the private sector include the investment by Dogfish Head brewery in a new distribution center in Milton. By far the largest investments in Sussex County have been in the healthcare sector. This includes investments by Bayhealth in a new health campus in Milford; by Beebe Health in Lewes, and the expansion of the Peninsula Regional Medical Center in Millsboro, as well as other investments. All told, the over a billion-dollar investment in healthcare facilities will create hundreds of new healthcare sector employment opportunities.

9.4.1 Employment Trends

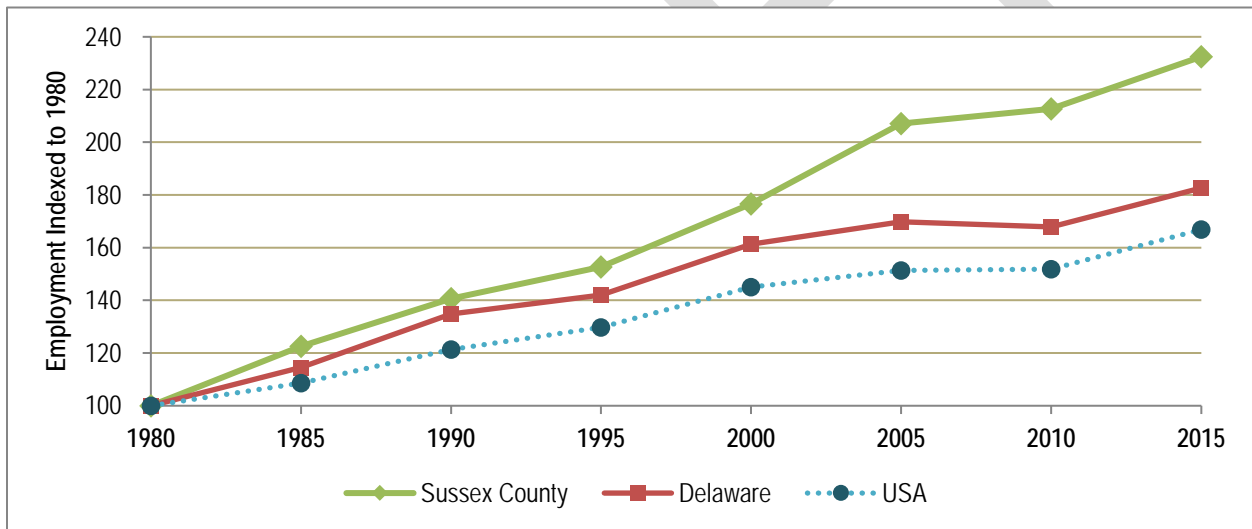
Over the last 45 years, the total number of jobs in Sussex County has grown steadily. The economy began to take off in the 1980s and growth slowed beginning in the mid-2000s. The County recently returned to strong growth as of 2015 (see Figure 9.4-1). As compared to state-wide and national trends, Sussex County's employment has grown at a faster rate, particularly since 2000 (see Figure 9.4-2). It is important to note that these job counts include both full time and part-time workers and are not comparable to the employment by industry discussed later in this section.

Figure 9.4-1 Total Jobs in Sussex County, DE, 1970 to 2015



Source: Bureau of Economic Analysis (2016)

Figure 9.4-2 Indexed Job Growth from 1980 to 2015, Sussex County Compared to the State of Delaware and the United States



Source: US Bureau of Labor Statistics (2016)

Since 1990, Sussex County's unemployment has generally fallen below both the rate of the entire United States and the State of Delaware. In 2010 the unemployment rate in Sussex County was 8.5 percent, well below the national level of 9.6 percent and on-par with the state. The County's unemployment rate has fallen steadily since 2010, in line with national and state-wide trends.

9.4.2 Employment by Industry

Currently, the largest employment sector in the County is leisure and hospitality, followed by retail trade, education and healthcare, and manufacturing (see Table 9.4-1). The leisure and hospitality sector has experienced strong growth of over 5 percent per year from 2010 to 2016, while the education and health care sector has grown nearly 4 percent per year. Professional, business and IT services have also had strong growth over 2010 to 2016, growing nearly 6 percent per

year over this period. Several industries have contracted since 2010, including finance, insurance, and real estate and manufacturing. Overall, Sussex County's employment grew at nearly 2 percent per year from 2010 to 2016.

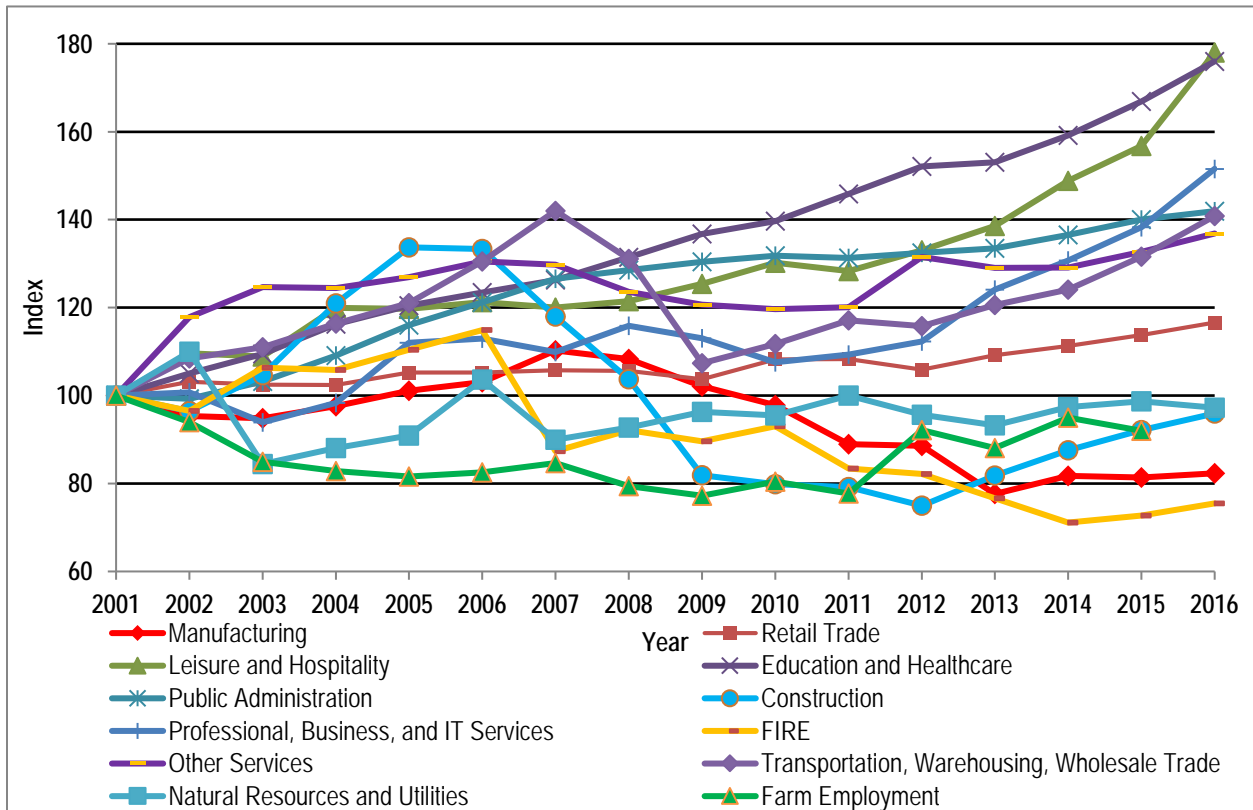
Table 9.4-1 Employment by Industry Sector, Sussex County, DE						
INDUSTRY SECTOR	TOTAL JOBS				CAGR ¹²	
	2001	2005	2010	2016	2005-10	2010-16
Manufacturing	11,858	11,989	11,601	9,765	(0.5%)	(2.8%)
Retail Trade	10,657	11,217	11,537	12,427	0.5%	1.2%
Leisure and Hospitality	7,934	9,498	10,330	14,125	1.4%	5.4%
Education and Healthcare	6,593	7,943	9,207	11,604	2.5%	3.9%
Public Administration	6,053	7,022	7,979	8,592	2.2%	1.2%
Construction	4,705	6,291	3,758	4,514	(8.2%)	3.1%
Professional, Business, and IT Services	4,455	4,991	4,792	6,752	(0.7%)	5.9%
FIRE (Finance, Insurance, Real Estate)	4,238	4,679	3,941	3,198	(2.8%)	(3.4%)
Other Services	1,826	2,318	2,185	2,499	(1.0%)	2.3%
Transportation, Warehousing, Wholesale Trade	2,342	2,834	2,617	3,299	(1.3%)	3.9%
Utilities	204	288	372	339	5.25%	-1.84%
Farm Employment	2,042	1,666	1,642	n/a	(0.2%)	n/a
Total	63,950	71,582	70,780	77,988	(0.2%)	1.6%

Source: State of Delaware Department of Labor (2016)

An index can help visualize industry employment growth year-over-year beginning in 2001 through 2016. An index value of 100 means that the industry has the same amount of employment as it did in 2001, a value over 100 means that employment has increased compared to 2001, and a value of less than 100 means that employment in the sector has declined compared to 2001 (see Figure 9.4-3). Looking back to 2001, Sussex County employment has increased in most of the industry sectors with the exception of housing-related industries (finance, insurance, and real estate and construction) and other goods producing industries such as farming, manufacturing, and natural resources and utilities.

¹² Compound Average Growth Rate (CAGR) The compound annual growth rate (CAGR) is the mean annual growth rate over a specified period of time. It essentially describes the rate at which an employment would have grown if it had grown at a steady rate.

Figure 9.4-3 Sussex County Industry Employment Index



Source: Delaware Department of Labor (2016)

The County's economy is still heavily reliant on the agriculture and food industry; many of the largest employers in Sussex County are in the agriculture and food processing industry, including Mountaire Farms, Allen Harim Foods LLC, Dogfish Head Brewery and Perdue Farms. Today, the fastest growing sectors of the economy are healthcare, agriculture/food processing, and manufacturing. See Table 9.4-2 for a full list of Sussex County's top employers.

Table 9.4-2 Top Sussex County Employers		
Employer	Location	Industry
Allen Harim Foods LLC	Seaford, Harbeson	Agriculture/Food Processing
Aloft Aero Architects	Georgetown	Manufacturing
Avalanche Industries	Selbyville	Communications
Bayhealth Milford Memorial	Milford	Healthcare
Beebe Healthcare	Lewes	Healthcare
Burriss Logistics	Milford	Logistics
Cheer, Inc.	Georgetown	Healthcare
Delaware Electrical Cooperative	Greenwood	Electric Utility
Delaware Technical & Community College	Georgetown	Education
Dogfish Head Brewery	Milton	Agriculture/Food Processing
Genesis Healthcare	Multiple	Healthcare
Indian River School District	Selbyville	Education
INVISTA	Seaford	Manufacturing
M&T Bank/Wilmington Trust	Multiple	Banking Services
Merck Animal Health	Millsboro	Poultry Chemicals
Mountaire Farms	Millsboro, Selbyville	Agriculture/Food Processing
Nanticoke Memorial Hospital	Seaford	Healthcare
NRG Energy Center	Dagsboro	Electric Utility
Perdue Farms (Perdue Foods and Perdue Agribusiness)	Seaford	Agriculture/Food Processing
Schell Brothers	Rehoboth Beach	Home Builder
SoDel Concepts	Multiple	Leisure & Hospitality
State of Delaware	Multiple	State Government
Sussex County	Multiple	County Government
Trinity Logistics	Seaford	Logistics
Walmart	Multiple	Retail

Source: Delaware Business Times (2016)

Note that data on number of employees per employer is not available.

9.4.3 Employment Projections

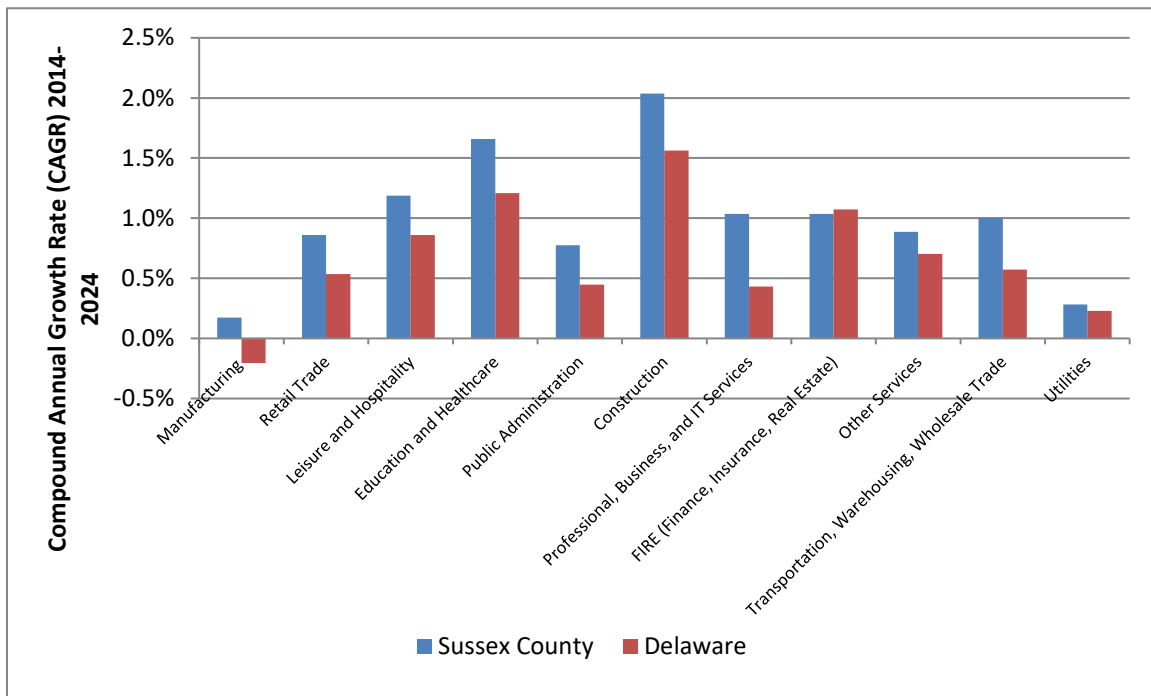
The Delaware Department of Labor projects that over the 2014 to 2024 period, total employment in the County will increase by approximately 8,250 jobs. The compound annual growth rate of 1.1 percent (Table 9.4-3) is significantly lower than the compound annual growth rate that occurred over the 2010 to 2016 period, where growth occurred at a rate of 1.6 percent per year. All sectors are projected to increase employment. The sectors that will see the largest growth in terms of absolute number of employees as well as average annual growth include education and healthcare, leisure and hospitality, construction, retail trade, and professional, business and IT services. The large projected growth in healthcare and leisure and hospitality suggests that shift that has occurred in the County towards healthcare and tourism will continue into the future.

Table 9.4-3 Projected Employment Growth 2014-2024 by Industry Sector				
	2014	2024	CHANGE	CAGR
Manufacturing	9,700	9,870	170	0.2%
Retail Trade	11,860	12,920	1,060	0.9%
Leisure and Hospitality	11,810	13,290	1,480	1.2%
Education and Healthcare	15,820	18,650	2,830	1.7%
Public Administration	2,120	2,290	170	0.8%
Construction	4,120	5,040	920	2.0%
Professional, Business, and IT Services	5,340	5,920	580	1.0%
FIRE (Finance, Insurance, Real Estate)	3,500	3,880	380	1.0%
Other Services	4,330	4,730	400	0.9%
Transportation, Warehousing, Wholesale Trade	2,380	2,630	250	1.0%
Utilities	350	360	10	0.3%
Total	71,330	79,580	8,250	1.1%

Source: State of Delaware Department of Labor (2017)

Figure 9.4-4 compares the projected employment growth in Sussex County to statewide projected employment growth. Employment growth in Sussex County is projected to average 1.1 percent over the 2014 to 2024 period, while statewide is only expect to growth at an average rate of 0.80 percent. Similar to Sussex County, statewide all sectors are projected to increase with construction, transportation and warehousing, tourism, and professional and business service sectors in Sussex County projected to grow at a significantly faster rate than the state as a whole. The difference is manufacturing – in Sussex County manufacturing employment is projected to grow by 0.2 percent, while statewide manufacturing employment is expected to contract by 0.2 percent. Sussex County's manufacturing growth will be driven by food manufacturing, which is expected to add 250 jobs over the next ten years, followed by transportation equipment manufacturing (150 jobs), and beverage manufacturing (40 jobs). The forecasted growth in the manufacturing sector is reversing the contraction that has been occurring in the sector over the 2001-2016 period.

Figure 9.4-4 Sussex County and Statewide Projected Employment Growth 2014-2024 by Industry



Source: State of Delaware Department of Labor (2016)

9.4.4 Sussex County Workforce

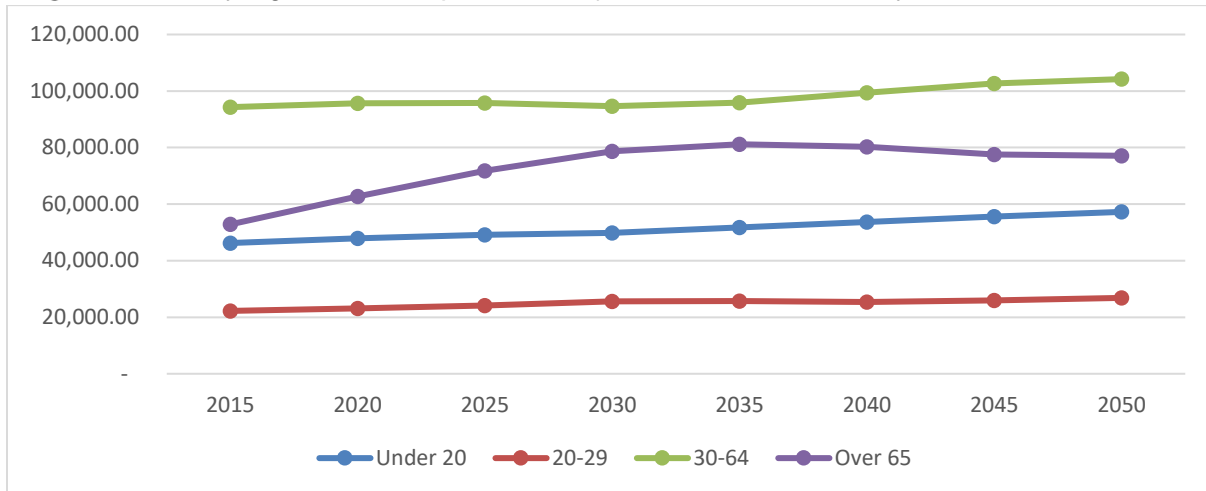
9.4.4.1 Key Workforce Demographics

There are several key demographic indicators useful for understanding the quality of Sussex County's workforce. This includes population projections of important age cohorts, educational attainment, poverty levels, and access to personal automobile.

Beginning with gross population numbers of permanent Sussex County residents projected by the Delaware Population Consortium, the total volume of key population cohorts is growing from 2010 through 2050. The 0-to-19-year-old population group will grow approximately 30 percent over the 40-year period, from 44,000 in 2010 to 57,000 in 2050, a compounded annual growth rate of approximately 0.6 percent over the period. The next relevant age cohort, those between the ages of 20 and 34, will increase by 30 percent as well, from 31,000 in 2010 to 40,000 in 2050 with a compounded annual growth rate of 0.7 percent over the 40-year period. The older, retiree population of those 65-years and older will grow much more significantly in the next few decades. From 2010 to 2035, this cohort grows at a rate of 2.7 percent per year, beginning in 2010 with 41,000 and landing in 2035 with 81,000 people. It is forecasted that this population will experience negative growth after 2035, ending 2050 with 77,000 individuals. See Figure 9.4-5 for additional detail.

The slow growth of the younger age-cohorts (0-19 year olds and 20-34 year olds) indicates that the County needs to work with local businesses and schools to develop employment opportunities to help retain and grow the millennial population.

Figure 9.4-5 Key Age Cohort Population Projections, Sussex County, 2010-2050

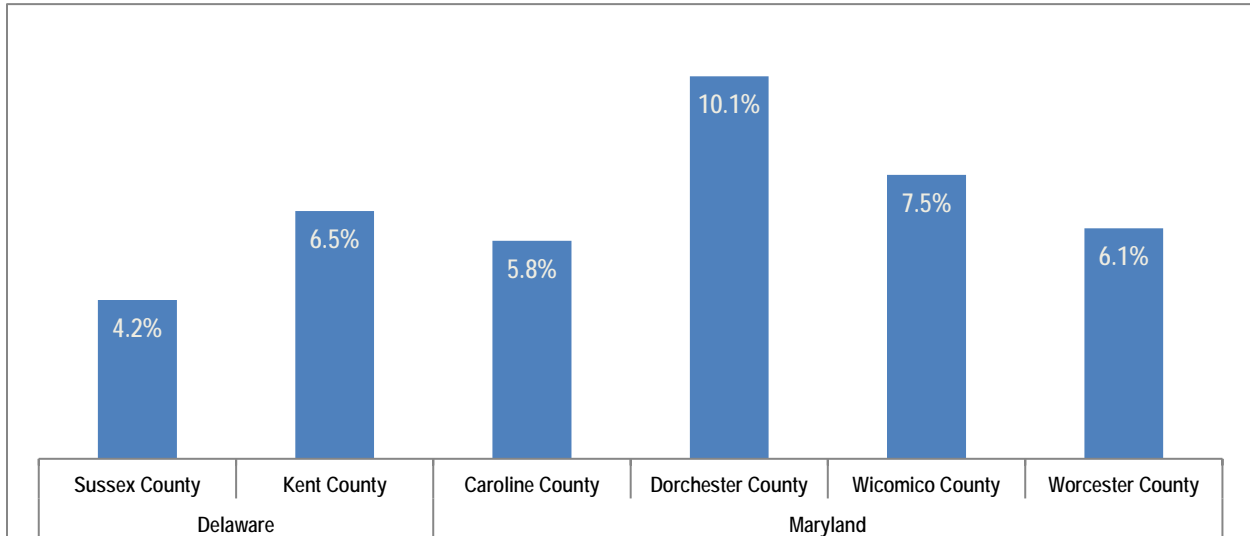


Source: Delaware Population Consortium (2016)

The type of work to be found in manufacturing plants and business organizations requires, and will continue to require, skills and knowledge beyond those acquired in high school. Over half of Sussex County's population has a High School Diploma or did not graduate from high school. This is comparable with neighboring counties. Twenty-two percent of Sussex County residents have a Bachelor's Degree or higher, higher than Caroline County's 12 percent but lower than Wicomico and Worcester Counties' 28 percent.

Another factor that affects workforce preparedness is access to a car. In counties like Sussex with limited public transportation options, access to a car is one of the main determinants of what jobs an individual can accept. According to the most recent data from the Census American Community Survey, four percent of the households in Sussex County lack access to an automobile. This is the lowest value as compared to neighboring counties, which generally have between six to seven percent of households without access to a car. Although nearly all households in Sussex County have access to a car, this does not mean that every member of the household has equal access to a car to get to work (Figure 9.4-6). Due to the current lack of comprehensive public transportation options in the County, this likely means that it may be difficult for some individuals to access employment opportunities. More information about public transportation in Sussex County can be found in the Mobility Chapter.

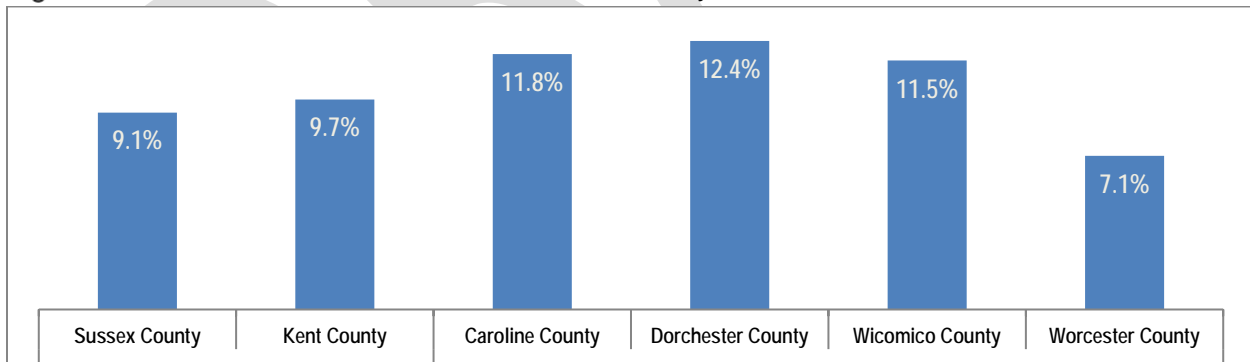
Figure 9.4-6 Percent of Households without Access to a Car, 2014



Source: US Census Bureau (2016)

Individuals at lower income levels are more likely to lack the relevant skills for many of today's job opportunities. There tends to be significant gaps in student achievement and educational attainment between income levels, with students from lower income families typically lagging behind their peers. In Sussex County, this is a concern despite the fact that only approximately nine percent of the population of the County is below the poverty line.¹³ Of the neighboring counties, Worcester County is lower at seven percent, and other counties are higher with Dorchester County the highest at twelve percent (see Figure 9.4-7).

Figure 9.4-7 Percent of Households below the Poverty Line, 2014



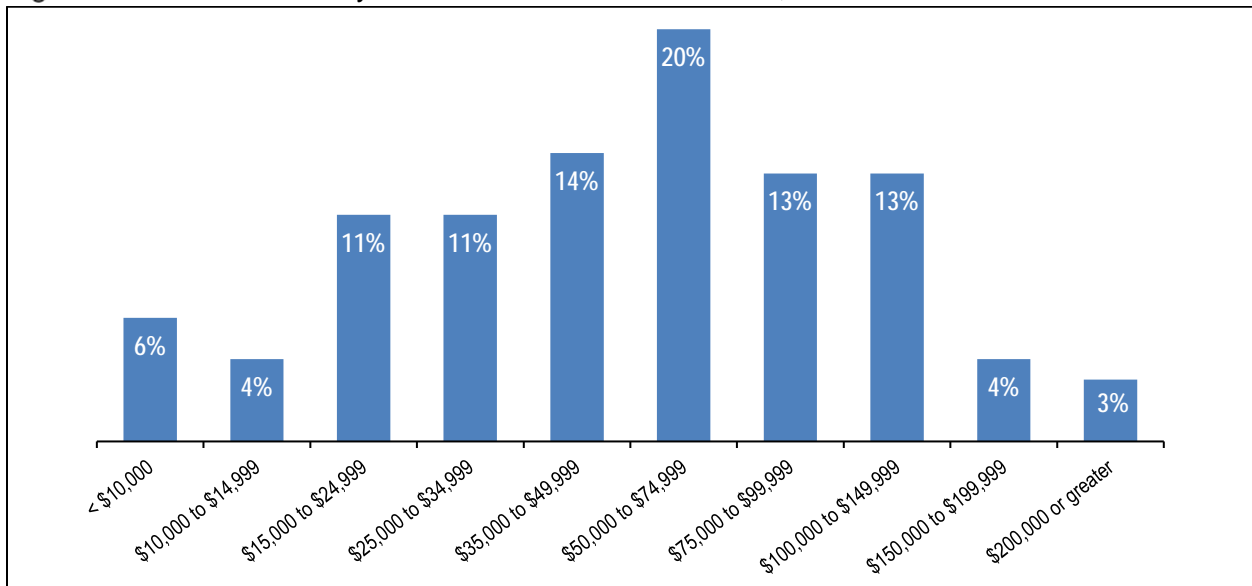
Source: US Census Bureau (2016)

In addition to examining the percent of the population living under the poverty line, it is useful to understand the total distribution of the population living at all income levels. As illustrated in Figure

¹³ The poverty-level varies by family size and composition. For example, for a family of four with two children, the poverty level is \$24,339. See <https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html> for additional information.

10.4-8, twenty-one percent of the **households** in Sussex County have a **household income** of less than \$25,000 per year. Many of these households, while not all in poverty based on the government’s definition, are likely to experience many of the same negative impacts as those individuals below the official line. More information on affordable housing is contained in the Housing Chapter.

Figure 9.4-8 Sussex County Household Income Distribution, 2014



Source: US Census Bureau (2016)

9.4.4.2 Commuting Patterns

The location of an individual’s residence relative to where they work can have implications for economic development. For example, studies have shown that long daily commutes can make it more difficult to attract and maintain a reliable workforce and decreases employee productivity. In 2014, over 40 percent of the employed individuals living in Sussex County commuted out of the County for work, similar to many neighboring counties. This portion of the workforce was generally similar in 2005. All other neighboring counties saw a much larger share of their workforce commuting outside of the home county from 2005 to 2014. Caroline and Dorchester Counties in Maryland had three-quarters and two-thirds of workers commuting out of home county, respectively.

Employed residents of Sussex County traveled approximately 25 minutes to work on average, one way in 2014. Compared to neighboring counties, this amount is right in the middle, with employed residents of Wicomico County, Maryland traveling 22 minutes each way and residents of Caroline County, Maryland traveling nearly 34 minutes per way. The length of commutes for nearly all counties increased by a few minutes from 2000 to 2014.

For the nearly 40 percent of employed residents who work outside of Sussex County, the majority travel to other counties in Delaware and Maryland. Nearly 25 percent of employed individuals in

Sussex County commuted to another Delaware county, with 13 percent traveling to Kent County and 10 percent traveling to New Castle County. The remaining 20 percent commuted to one of the neighboring out of state counties, including Wicomico County, MD (5 percent), Worcester County, MD (3 percent), Dorchester County, MD (1 percent), and Caroline County, MD (1 percent), and 10 percent to other counties.

Sussex County had the lowest percentage of out-of-county residents holding jobs in Sussex County compared to neighboring counties. Thirty percent of workers in Sussex County live outside of Sussex County, down from 34 percent in 2005. Caroline and Dorchester Counties in Maryland have over 50 percent of their workforces living outside of those counties. Out of the 30 percent from outside Sussex County, 10 percent live in Kent County, 4 percent live in New Castle County, and 4 percent live in Wicomico County. The remaining 10 percent live in other counties in Maryland.

9.4.4.3 *Sussex County Occupation Clusters*

Occupation cluster analysis can offer insights into the talent base of the workforce that go beyond the relatively simple measure of educational attainment. In contrast to industry clusters that focus on what businesses produce, occupation clusters focus on the knowledge, skills, and abilities of the individuals who work for those businesses. Analysis can help identify which clusters of occupations provide the best opportunities for investment to build different types of skills, supporting existing and emerging industry clusters, and which occupation clusters represent a competitive advantage for the region.

As seen in Table 9.4-4, from 2001-2010, job growth occurred in all of the major occupation clusters in Sussex County except for agribusiness and food technology, public safety and domestic security, skilled production workers, engineering and related sciences, and natural sciences and environmental management. The postsecondary education and knowledge creation cluster has had the largest increase in employment, with employment in the cluster increasing approximately 78 percent from 2001 to 2010. The largest occupation cluster in terms of employment is skilled production workers followed by legal and financial services, and real estate. The managerial, sales, marketing, and human resources occupation cluster also has a large employment base in Sussex County.

Twelve occupation clusters showed job growth of 10 percent or more over the 2001-2010 period. In addition, many of these clusters also had a related rise in the size of the location quotient (an indicator of industry concentration within a region), which suggests that in addition to increasing in local importance, the competitiveness of the County is also increasing in these clusters. These are occupations that are not yet specialized ($LQ < 1.2$), but are increasing in specialization and include: arts, entertainment, publishing and broadcasting; postsecondary education and knowledge creation; legal and financial services, and real estate; information technology; health care – medical technicians; personal services occupations; mathematics, statistics, data and accounting; health care – therapy, counseling and rehabilitation; managerial sales, marketing and HR; building, landscape and construction design; and technology-based knowledge clusters.

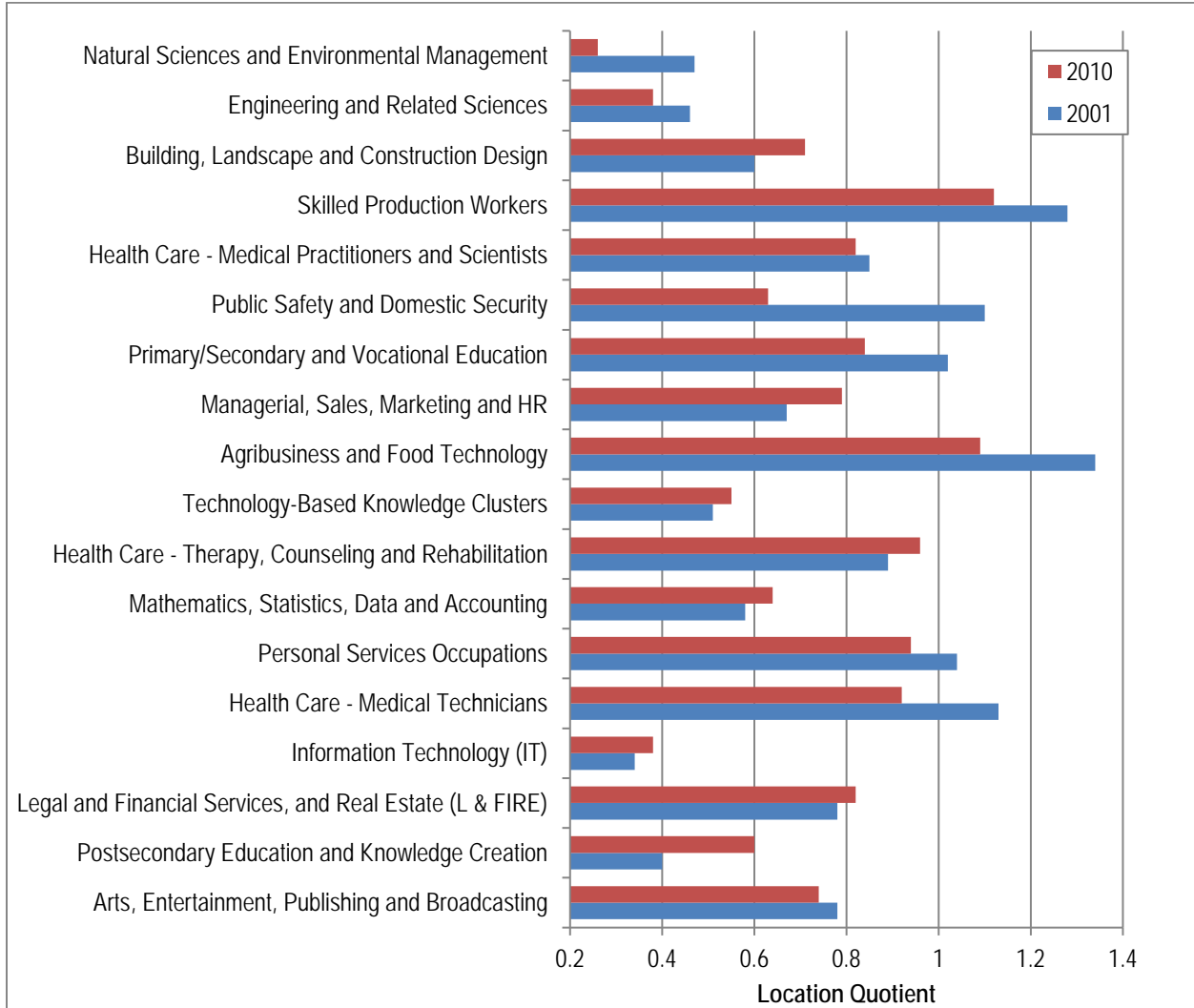
A surprising finding is that a number of technology-related occupation clusters have enjoyed a significant increase in both employment and competitive position in Sussex County. These include information technology; mathematics, statistics, data, and accounting; and technology-based knowledge clusters.¹⁴ Major occupations within some of these clusters include computer software engineers, data communications analysts, and support specialists. It is possible that these emerging occupation clusters are related to the presence of tech schools in the County.

Table 9.4-4 Sussex County Occupation Clusters				
OCCUPATION CLUSTER	EMPLOYMENT			SHARE OF ALL REGIONAL EMPLOYMENT
	TOTAL 2010	GROWTH, 2001-2010		
		ABSOLUTE	PERCENT	
Skilled Production Workers	7,657	-257	-3.2%	7.8%
Legal and Financial Services, and Real Estate (L & FIRE)	6,288	1,350	27.3%	6.4%
Managerial, Sales, Marketing and HR	6,007	1,473	32.5%	6.1%
Primary/Secondary and Vocational Education	4,334	154	3.7%	4.4%
Technology-Based Knowledge Clusters	4,252	747	21.3%	4.3%
Health Care -Therapy, Counseling and Rehabilitation	3,135	1,054	50.6%	3.2%
Personal Services Occupations	2,227	656	41.8%	2.3%
Arts, Entertainment, Publishing and Broadcasting	1,691	443	35.5%	1.7%
Agribusiness and Food Technology	1,622	-140	-7.9%	1.7%
Mathematics, Statistics, Data and Accounting	1,537	377	32.5%	1.6%
Health Care - Medical Technicians	1,079	159	17.3%	1.1%
Health Care - Medical Practitioners and Scientists	893	82	10.1%	0.9%
Information Technology (IT)	752	177	30.8%	0.8%
Public Safety and Domestic Security	733	-267	-26.7%	0.7%
Postsecondary Education and Knowledge Creation	665	292	78.3%	0.7%
Engineering and Related Sciences	336	-80	-19.2%	0.3%
Building, Landscape and Construction Design	309	64	26.1%	0.3%
Natural Sciences and Environmental Management	69	-101	-59.4%	0.1%

Source: Statsamerica.org (2014)

¹⁴ Please see: <https://www.statsamerica.org/innovation/reports/sections2/H.pdf> for information on the occupations included in each knowledge cluster.

Figure 9.4-9 Location Quotient among Occupation Clusters, 2001 and 2010, Sussex County¹⁵



Source: Statsamerica.org (2014)

At the same time, the County has lost some of its competitive advantage in the healthcare occupation cluster. While the number of employees in each of the three healthcare sub-clusters

¹⁵ A location quotient is expressed as the ratio of the proportion of the industry locally within the total local economy to the proportion of the industry nationally within the total national economy. It can help reveal in what industries a region may have a competitive advantage. Therefore, an LQ greater than one indicates that the industry has a competitive advantage. Conversely, an LQ less than one indicates that the industry is a smaller piece

(Medical Practitioners and Scientists; Medical Technicians; and Therapy, Counseling, and Rehabilitation) have increased, the location quotients for two of the sub-clusters have decreased over the 2001-2010 period. These occupation clusters merit a closer look by policymakers, economic development professionals, representatives from the Community College, and medical and related professionals to discern needs for expanded training and development of the skills embedded in the clusters. The County also needs to identify ways that it could leverage its concentration of medical skills as well as the large biomedical industry cluster in Delaware. For example, it could aim for a specialization in geriatrics and nursing homes or other specialized nursing facilities. Such potential strategies need to be worked out by the economic development stakeholders with significant input from the medical and related professionals in the County.

9.5 ECONOMIC DEVELOPMENT RESOURCES

There are several public economic development agencies tasked with encouraging business development in Delaware. These include:

- **Delaware Prosperity Partnership** – This public-private partnership, newly formed in 2017, will be responsible for recruiting new employers to the state, promoting entrepreneurship and innovation, and investing in workforce development programs.
- **Delaware Manufacturing Extension Partnership** – This group helps manufacturers better compete on the global scale by working with them to assess opportunities, identify resources, and by providing them with confidential access to the industries' best practices and methodologies.
- **Delaware Department of Labor** – Working with employees and employers, the Department of Labor connects people to jobs, resources, benefits, protections, and information to promote an equitable labor environment.
- **Division of Corporations** – This division provides answers and assistance to corporations looking to make Delaware their legal home.
- **Small Business Development Center (SBDC)** – This public-private partnership between the U.S. Small Business Administration, the State of Delaware, and the University Delaware provides no or low-cost advisory and training services.

of the local economy than it is of the national economy and indicates an area where the local economy is not as strong.

- **Service Corps of Retired Executives (SCORE)** – Retired company executives and business owners who have partnered with the U.S. Small Business Administration provide free and confidential business counseling.

Furthermore, while businesses in Delaware can always participate in federal business assistance programs for which they are eligible, the state of Delaware also offers its own variety of incentive programs to firms seeking to relocate to or otherwise expand within Delaware. This assistance may take the form of loan programs, grants, tax credits, and tax incentives. The most prominent programs include:

- **New Business Facility Tax Credit** – This credit allows businesses that hire fifty or more qualified employees to make an investment of at least \$200,000 and operate a qualified facility to reduce their corporate income tax, gross receipts tax, and public utility tax.
- **New Economy Jobs Tax Credit** – This credit allows employers that create a minimum of 50 jobs to obtain up to a 65% rebate on the withholding taxes for their new Delaware taxpayers.
- **Business Finder's Fee Tax Credit** – This program incentivizes Delaware businesses to bring their suppliers, customers, and other businesses to Delaware. The credit, which can be applied to both the existing Delaware business and the new relocating business, is equal to \$500 per full-time Delaware employee that the new business employs in Delaware for three years following their registration.
- **Research and Development Tax Credit** – Qualified businesses can receive a tax credit equal to 10 percent of the excess of the taxpayer's total Delaware qualified research and development expenses for the taxable year over the taxpayer's Delaware base amount, limited to 50 percent of the Delaware income tax liability.
- **Delaware Strategic Fund** – This fund is the primary source through which Delaware provides low-interest loans and grants to businesses that are creating new jobs, relocating, expanding, or redeveloping a brownfield site.

Within Sussex County, there are also two economic development agencies that encourage business growth specifically within the County. These include:

- **Sussex County Economic Development Office** – Much like the state's economic development office, Sussex's economic development office strives to attract, retain, and expand businesses and business opportunities within the County through counseling, networking, and financial incentives.

- **Sussex Economic Development Action Committee, Inc. (SEDAC)** – This stand-alone group connects businesses and entrepreneurs with the resources they need.

In addition, the Sussex County Economic Development Office runs two specific initiatives that seek to assist businesses relocating or expanding in the County. The County's Economic Development Fund provides financial assistance in the form of low interest loans; grants, graduated tax abatement, and/or fee reductions to selected businesses in need of financial assistance. Much like the Delaware Strategic Fund, this assistance is customized to fit selected firms' needs. Additionally, Sussex County is a partner in the Delaware State Housing Authority's Downtown Development District program. Sussex County performs a 50 percent match of state funds for approved construction projects in Sussex County up to \$10,000. The County will contribute up to \$100,000 in matching funds in FY2017.

The County's Economic Development Office is also working on new initiatives to attract business to Sussex. One initiative that the office would like to explore is the establishment of a County Economic Development Grid. The grid would contain zones which would be centered around areas of the County and associated communities where the County would like to promote economic development. As part of the effort, the County would explore incentives for businesses locating in the zones. In order for the effort to be successful, it will require close coordination with communities in the areas where zones would be established.

There are many other private and non-profit groups besides those listed above which are dedicated to helping Delaware businesses succeed. For example, the numerous Chambers of Commerce spread throughout the state, the University of Delaware's Lerner College of Business & Economics, and the Delaware Community Development Corporation all offer business assistance.

9.5.1 Industrial Parks and Business Parks

In Sussex County, there are currently four industrial or business parks, some of which are located in the towns and others in unincorporated areas. These locations spur investment in the community by using a range of amenities, resources, business connections, and financial incentives to attract stable businesses. Each park has its own particular characteristics:

- **Seaford Industrial Park (Seaford, DE)** - This 128-acre industrial park is occupied almost exclusively by light industrial firms including Con-way trucking, Cintas uniforms, Century Window Fashion, Craig Technologies, and Eastern Shore Metals. The City of Seaford has one remaining two-acre parcel still under its ownership. Seaford Industrial Park is adjacent to the Ross Business Park, both of which have convenient access to Route 13.
- **Ross Business Park (Seaford, DE)** - Accommodating a wider range of businesses than Seaford Industrial Park, the Ross Business Park currently has more than 108 acres of available parcels after greatly expanding a few years ago. Its current tenants include SolarCity, Falco Industries, Dunbar Armored, K Supply Company, and FedEx Ground. It

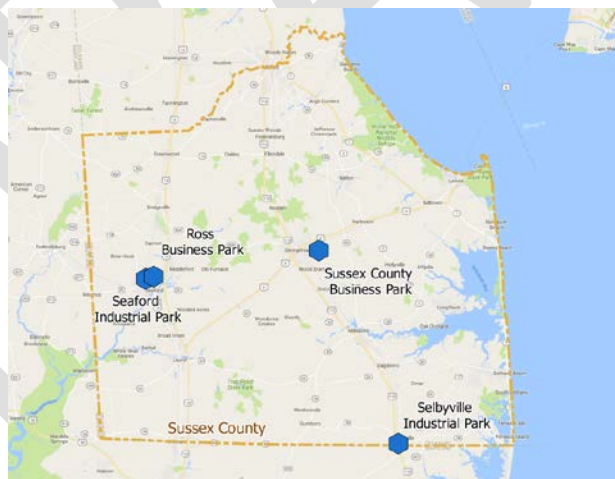
also borders important local destinations such as the Seaford Sports Complex, the Seaford District Library, the Ross Mansion, and the Boys & Girls Club of Delaware.

- Delaware Coastal Business Park (Georgetown, DE)** - With 19 parcels spread over 175 acres the industrial park is an important component of the Delaware Coastal Airport's operations. In fact, the park's largest tenant is ALOFT AeroArchitects who performs maintenance on the Boeing 737. The park also houses Pats Aircraft, Eastern Shore Poultry Co. Inc., Hollingsead International, Delmarva Insulation, DMI, and other large businesses. In addition to quick access to Route 9, the park is also connected to the local railroad system.

In March 2017, the County acquired the 74-acre King Farm site to expand the Delaware Coastal Business Park. The site will yield approximately 12 lots over 20 useable acres.

- Selbyville Industrial Park (Selbyville, DE)** - At 35 acres, the 17-lot Selbyville Industrial Park is the smallest park in Sussex County. Its largest tenant is currently Avalanche Strategies, but the park is also home to Sigma Realty, Eastern Shore Porch and Patio, Delta Sales Corporation, Aero Safety, Chrome World Motorcycle Accessories, and Resorts Furnishings. There are no current vacancies or plans for expansion given that it borders the Delaware-Maryland state border, Route 113, and downtown Selbyville.

Figure 9.5-1 Industrial and Business Parks in Sussex County, DE



Source: ESI (2017), Google (2017)

While there are vacancies in some of these business and industrial parks that should continually be marketed to new employers, the County should also continue to look for new business and industrial sites attractive to businesses looking to locate to the County. Sites that will be most attractive to new businesses are those that have access to utilities (natural gas, fiber optic, etc.) as well as low electric rates.

9.6 ECONOMIC DEVELOPMENT GOALS, OBJECTIVES, AND STRATEGIES

As the population of Sussex grows, sustaining and growing the economy is important to support the commerce, culture, and character of the County that residents and visitors enjoy. The County must embark on strategies to continue to make the County both an attractive home for new businesses as well as help existing businesses and industries grow and prosper. Below is a list of goals, objectives, and strategies for the County to undertake to achieve this:

Goal 9.1: Maintain and strengthen the economic base in the County.

Objective 9.1.1: Develop a better understanding of Sussex County's competitive advantages and how it fits into the regional and national marketplace.

Strategy 9.1.1.1: Undertake a supply chain analysis of key local industries to identify target industries and employers for recruitment.

Strategy 9.1.1.2: Undertake a business cost analysis to understand how the County compares to other locations.

Objective 9.1.2: Establish, maintain, and anticipate the necessary infrastructure including, but not limited to housing and transportation, communication technology (high-speed internet, utility systems) which supports and fosters quality development for those who live, work, visit, and invest in the County.

Strategy 9.1.2.1: Complete the long-term capital improvements planned for Sussex County's airport.

Strategy 9.1.2.2: Promote the proximity of the airport to clientele that would use the airport.

Strategy 9.1.2.3: Work to increase operations (take-offs and landings) at the airport in order to qualify for additional funding from the Federal Aviation Administration.

Strategy 9.1.2.4: The Economic Development Office will work with natural gas utilities and high-speed internet (fiber optic) providers to help identify potential areas for expansion, identify potential customers, undertake outreach to potential customers, and develop strategies to meet the needs of underserved areas.

Strategy 9.1.2.5: Coordinate infrastructure (water, sewer, transportation, natural gas, electricity, and high-speed internet) projects with the need to bring these utilities to areas zoned for business uses.

Strategy 9.1.2.6: Explore and pursue grant opportunities for fiber optic expansion within the County.

Strategy 9.1.2.7: Continue coordinating with DelDOT to provide safe and convenient road access for areas zoned for business uses.

Strategy 9.1.2.8: Encourage redevelopment and reuse of existing business sites, industrial sites, and central business districts. These sites are already well served by the necessary infrastructure and have good access.

Objective 9.1.3: Weave economic development into the County's entire decision-making process.

Strategy 9.1.3.1: Consider an analysis of County and local regulations to identify those regulations that may be inhibiting economic development.

Strategy 9.1.3.2: Consider additional coordination between the State and County on economic development efforts.

Strategy 9.1.3.3: Undertake a comprehensive examination of the economic development process in the County and identify potential areas for streamlining.

Strategy 9.1.3.4: Strengthen the County's Economic Development Office and ensure that the office has the necessary resources.

Strategy 9.1.3.5: The County Council should take an active leadership role to ensure that all County departments are supporting economic development and working toward common goals.

Strategy 9.1.3.6: Strengthen the relationship between the County and various economic development organizations, like the Sussex Economic Development Action Committee.

Objective 9.1.4: Support small local businesses and County-based industries.

Strategy: 9.1.4.1: Consider establishing a Sussex County Business Resource Center within the Economic Development Office to serve as a resource for existing businesses that want to expand and new businesses that want to move to the County, as well as serve as a job training resource to help current and potential employers.

Objective 9.1.5: Identify the economic needs of the unemployed and underemployed in the region and continue job-training partnerships with educational institutions, local

employers, local governments, chambers of commerce, state agencies, and non-profits to meet those needs.

Strategy 9.1.5.1: The Economic Development Office should act as a “matchmaker” between current and potential employers and educational institutions and local job training resources.

Strategy 9.1.5.2: Continue to coordinate with local educational institutions and employers to understand current job openings in the County and structure job training and professional development programs to efficiently train the local workforce.

Strategy 9.1.5.3: Establish a working group comprised of major healthcare employers, Del Tech, Sussex Tech, and other educational institutions, and County officials. The purpose of the working group will be to identify current and future job training needs and develop programs to meet the needs of the rapidly growing healthcare sector.

Goal 9.2: Encourage economic diversity and expansion.

Objective 9.2.1: Foster an economy that supports and expands existing businesses while pursuing larger businesses and a mix of industries that are suited to the County that provide a range of job levels with opportunities for advancement and are willing to train an entry-level workforce.

Strategy 9.2.1.1: Identify current and potential industries that require the resources that Sussex County offers.

Strategy 9.2.1.2: The Economic Development Office should actively promote the County to industries and employers that provide employment opportunities for year-round permanent jobs that offer opportunities for advancement.

Objective 9.2.2: Identify an adequate supply of vacant, shovel-ready land for commercial and industrial uses, while encouraging development that is environmentally sensitive.

Strategy 9.2.2.1: Review zoning code and the development process to see if there are prohibitive costs to development for industrial park developers.

Strategy 9.2.2.2: Complete the current expansion of the Delaware Coastal Business Park and identify potential areas for additional expansion.

Strategy 9.2.2.3: Explore the potential for public-private partnerships for the development of additional industrial parks within the County.

Strategy 9.2.2.4: Identify areas that are served with adequate electricity, natural gas, and fiber optic infrastructure for rezoning to LI-1 and LI-2 uses.

Strategy 9.2.2.5: Explore establishment of a County Economic Development Grid with zones to be centered around areas of the County and associated communities where the County would like to promote economic development.

Objective 9.2.3: Develop employment opportunities to help retain millennials.

Strategy 9.2.3.1: Learn from best practices of other counties that have growing millennial populations in order to understand how to attract and retain younger populations.

Strategy 9.2.3.2: Encourage various economic development organizations, like the Sussex Economic Development Action Committee, to actively recruit millennials for leadership roles and establish a millennial advisory committee.

Goal 9.3: Preserve and encourage the expansion of the agriculture industry, forestry industry, and other similar industries in the County.

Objective 9.3.1: Encourage the adoption of policies that promote agriculture industry, forestry industry, and other similar industries as important economic industries.

Strategy 9.3.1.1: Evaluate the concept of establishing voluntary agribusiness areas or district that are centered around existing infrastructure in AR-1 zoning Sussex that allow agricultural uses or other compatible uses.

Strategy 9.3.1.2: Promote and expand land use, zoning and conservation policies and incentives that keep agriculture economically viable in Sussex County.

Strategy 9.3.1.3: Ensure zoning regulations accommodate agribusiness, forestry and similar uses in appropriate locations, including businesses that promote new uses for agricultural products and byproducts.

Strategy 9.3.1.4: Work with landowners and the Delaware Forest Service to protect high value forest tracts and improve the diversity and quality of forest tracts

Strategy 9.3.1.5: Explore incentives that the County could offer landowners (e.g. property tax exemption) to encourage long-term forest management.

Strategy 9.3.1.6: The development of sustainable forest product markets requires current comprehensive inventories of the available forest resources. As such, the County should encourage the state's Forestry Service to undertake a comprehensive inventory of the forest resources in the County and to update the inventories on a regular basis.

Strategy 9.3.1.7: The County should encourage the State to update existing incinerator laws to allow for the use of wood for bio-energy purposes.

Strategy 9.3.1.8: The County should work with Delaware Forestry Service to explore the feasibility of a new roundwood processing facility Sussex County.

Objective 9.3.2: Create opportunities for new investment in agricultural, forestry, and similar industry support activities.

Strategy 9.3.2.1: Review County Code to evaluate whether agricultural food manufacturing/processes and value-added businesses are permitted uses in appropriate zones.

Strategy 9.3.2.2: Undertake a supply chain analysis of local agricultural operations, forestry, and similar operations to identify potential target industries, employers for recruitment, and uses for products.

Goal: 9.4: Maintain and strengthen the County's position as a tourist destination.

Objective 9.4.1: Continue to support the growth of the tourism industry and the expansion of specialty tourism, such as recreational tourism, eco-tourism, agri-tourism, beverage/food tourism, and historic tourism, throughout the County.

Strategy 9.4.1.1: The Economic Development Office and the County's tourism Destination Marketing Organization (DMO), Southern Delaware Tourism, should work to build a brand that appeals to both visitor and investor markets. This will involve the creation of the brand message and the promotion of the brand, which includes specialty tourism, through all channels and sales and marketing.

Strategy 9.4.1.2: The Economic Development Office and the DMO should maintain a platform for regular communication.

Strategy 9.4.1.3: The Economic Development Office should coordinate with and involve the DMO when showcasing opportunities to investors and site location professionals.