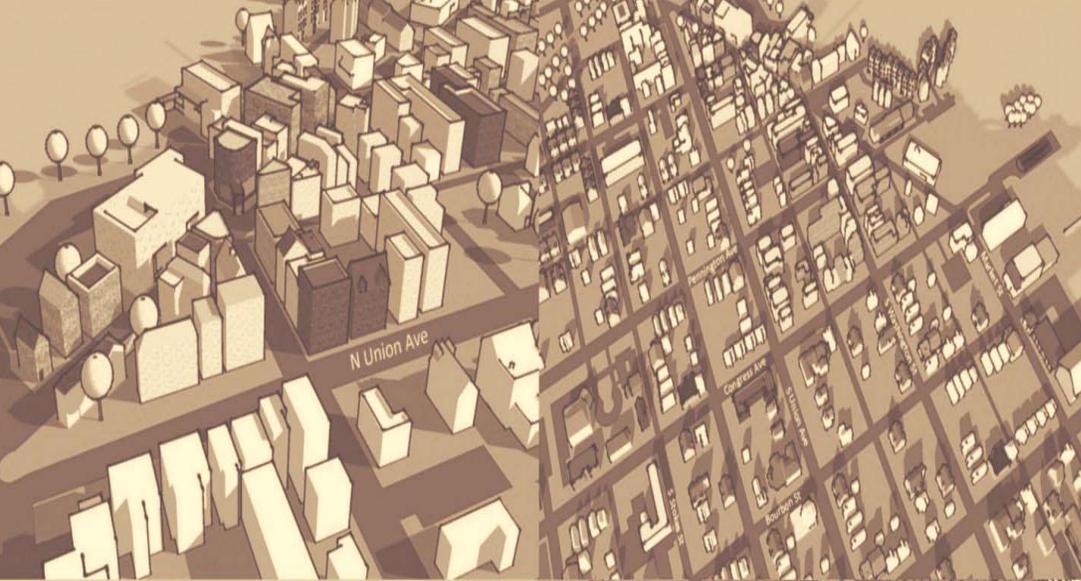


# Havre de Grace



## Strategic Economic Development Plan Synopsis



# 2011

# Havre de Grace's Strategic Economic Development Plan Synopsis

The following is a synopsis of the strategic economic development plan prepared for the City of Havre de Grace and Havre de Grace Main Street, Inc., with funding provided by the City of Havre de Grace, the State of Maryland, and Havre de Grace Main Street. The strategy is based on various public participation processes and analyses that included:

- ✓ Stakeholder interviews.
- ✓ Surveys of residents, businesses and visitors.
- ✓ Public workshops.
- ✓ Downtown parking survey and analysis.
- ✓ Strengths and issues analysis.
- ✓ A comparative assessment or gap analysis.
- ✓ R & D and emerging technology assessment.
- ✓ A conference center assessment.
- ✓ Demand forecasting for various goods and services.

## CONTEXT

The context and timing for the analyses and economic development plan is of critical importance to the City. Havre de Grace has been given a “once in a life time” opportunity. Local conditions provide for substantial positive change.

While there are a number of factors at play, that having the greatest influence today and for the next ten years at least is the Federal Base Realignment & Closure (BRAC) process of which Aberdeen Proving Grounds (APG) is a substantial beneficiary. There is little doubt that jurisdictions closest to APG will be the recipients of the greatest impact, including the potential benefits, if the areas and jurisdictions are capable of receiving these benefits. There are substantial visible and not yet visible investments already in areas near and around Havre de Grace which result from BRAC.

Still emerging is another effort that will impact the entire community. This is the growth of the hospital to a major medical complex. The local hospital has become part of and affiliated with the University of Maryland medical system. The system recently purchased available acreage at the interchange with I-95 in Havre de Grace. This purchase affords continued expansion for many years into the future as well as potentially other development opportunities.



*“Havre de Grace has been given a “once in a lifetime opportunity” to capitalize on local changes that include BRAC and an infusion of other new investment.*

## OPPORTUNITIES

The following opportunities have been identified.

- ✓ Between 2010 and 2020, the combined Havre de Grace markets will generate sufficient growth in demand and related sales to support a minimum of 2.5 million new square feet of additional retail goods and related services space.

Havre de Grace has the market potential to capture between 459,000 and 874,000 square feet of additional retail goods and related services space. The types of retail operations include, but are not limited to:

- A substantial number of specialty retailers.
- Full service restaurants and “brew pubs.”
- Paint and wallpaper stores.
- Women’s apparel operations.
- Jewelry stores.
- Various hobby shops.
- Unique toy operations.
- Notions operations.
- Electronic stores.
- Women’s apparel.
- Warehouse clubs.
- Supercenters.

Unique retail and related services niche operations (based internet sales as well as on-site sales) include those that follow. It is noted that they would form a cluster with regional appeal.

- Aquarium and pond operation
- Ski and aquatic equipment shop or Cabala’s or Bass Pro
- Amish furniture outlet
- Quilt shop
- Artisan glass and glass blowing
- Scientific discovery education hobbies and materials

*Under-represented businesses in Harford County include those associated with:*

- ✓ *Specialty retail.*
- ✓ *Medical equipment manufacturing.*
- ✓ *Arts and cultural oriented operations.*
- ✓ *Select transient accommodations.*

# *Havre de Grace's "DNA"*

- 1. The water and waterfront.*
- 2. The location in general.*
- 3. The transportation network.*
- 4. The character.*



- ✓ Demand is sufficient to support between 1,060 and 1,760 new market rate housing units. Between 140 and 260 of the units could be situated in quality urban settings in downtown Havre de Grace.
- ✓ A niche focused on substantial agricultural product and natural resource based R & D activity could be developed. Some areas of focus include:
  - Pumpkin Seeds
  - Bee Venom
  - Mushrooms
  - Flavonoids
  - Corn
  - Birds
  - Natural Forest
  - Invasive Species
  - Algae
- ✓ Havre de Grace, because of its competitive and locational advantages, could potentially capture 260,000 to more than 500,000 square feet of the new office activity by 2020. This space would serve the Harford County, Cecil County and lower Pennsylvania area populations as well as contractors and employees associate with APG. Assuming the indicated R & D activity is pursued, this could increase to between 420,000 to 850,000 square feet of space.
- ✓ Other Non-retail, non-office and non-residential activity includes:
  - Boutique hotel or like transient accommodations.
  - Certain manufacturing related to medical equipment.
  - Activity related to the arts and culture.
  - Professional services, such as security brokerages.
  - Colleges, universities and fine arts institutions.

*Havre de Grace has the potential to capture between 459,000 and 874,000 square feet of additional retail goods and related services space.*

*“Havre de Grace has the potential to capture 260,000 to more than 500,000 square feet of new office space.*



With respect to the defined non-retail, non-office and non-residential activity:

- Transient accommodations opportunities are limited to a waterfront boutique establishment.
- There are three higher education institutions that are the most probable in the near future. These are the University of Maryland, the University of Delaware and Towson University. It is noted that other entities from outside the area may also provide opportunity if linked to the proposed R & D activity. Additional opportunities are in the culinary arts and hospitality industries.

Excluding space associated with a potential higher education institution, Table 1 includes the aggregated opportunities.

*Table1 – Total Non-institutional, Non-residential Opportunities & Residential Opportunities\**

<b>Function</b>	<b>Space/Units</b>
Retail Space	459,000 to 874,000 sq. ft.
Market Rate Housing in General	1,060 to 1,760 units
Market Rate Downtown Housing	140 to 260 units
Traditional Office Space	260,000 to 500,000 sq. ft.
R & D Office space	160,000 to 350,000 sq. ft.
Boutique Transient Accommodations	10 to 30 units
Total Non-residential, Non-institutional Space	879,000 to 1,724,000 sq. ft.
Total Residential and Transient Units	1,070 to 1,790 units

*\*Developed by The Chesapeake Group, Inc. 2010.*

## **IMPLEMENTATION SUGGESTIONS**

Steps or actions are proposed to afford Havre de Grace the means to seek and participate in the opportunities. These include giving consideration to:

**RECRUITMENT** - it is highly unlikely that a number of opportunities will be seized without recruitment activity. It cannot be assumed that because opportunities exist that people will naturally seek those opportunities. They can only seek opportunities of which they are aware. There are four types of recruitment efforts that should be pursued.

**ENTREPRENEURSHIP** - Creating new ownership for existing and new businesses and franchises through entrepreneurship is both an adjunct and an alternative to recruiting new activity. An entrepreneurship program with an apprenticeship component can potentially result in replacement of current owners who retire and increase business development opportunities for existing residents.

**INCREASING MARKET PENETRATION** - Increasing penetration into the five markets that are currently served by Havre de Grace commercial activity will yield results. These markets are: residents of Havre de Grace, residents of Harford and Cecil Counties, residents of neighboring areas of Pennsylvania, and employees (and visitors) to APG and growing list of contractors who live outside of the four areas. To facilitate increased market penetration, consideration should be given to the following additional activity or modifications to existing efforts:

1. Modifying youth oriented event marketing to communicate directly with youth.
2. Assuring greater cooperation of future events.
3. Creating a Havre de Grace cooperative internet and social media based program.
4. Establishing a graduated frequent purchaser program for food service establishments.

**LAND USE MODIFICATIONS** – To facilitate development opportunities while maintaining the critical character of the community and its downtown, consider:

1. Creating Planned Unit Developments (PUD). Creative site design is necessary to facilitate redevelopment of the waterfront in a way that: preserves or enhances public access; extends the pedestrian system along the waterfront; “does no harm” to the environment while allowing for a return on investment or property economic viability; preserves boat access; promotes mixed-use; and enhances its ability to anchor the “Main Street” area and all of downtown.
2. More restrictive “matter of right” controls to foster reinvestment not demolition on Union Avenue.

**PARKING MODIFICATIONS** – This would include changes to current regulations for areas of downtown, including the waterfront, and enhanced signage.

**OTHER MODIFICATIONS** – including but not limited to establishing a uniform simple wayfinding sign system that promoted the historic character, foster compatible home based businesses and promotion of potential unique funding for economic development.

