

Hagerstown Economic Data Report

2010 ECONOMIC DATA SUMMARY

HAGERSTOWN
WASHINGTON COUNTY, MD
 Economic Development Commission



Location

Location: West Central Maryland, bounded by Pennsylvania, Virginia, and West Virginia; extending east to South Mountain, south to the merging of the Shenandoah and Potomac rivers, north to the Mason-Dixon Line, and west to Sideling Hill Creek. Hagerstown-Washington County is located 70 miles west of Baltimore, MD and Washington, DC with Interstates 81 and 70 intersecting in Hagerstown.

Area: 458 square miles.

Topography: Bordered by the Appalachian Highlands, situated in the Great Valley. Low rolling hills, cultivated valleys, little woodland, 500-800 feet above sea level.

Natural Resources: Limestone, clays, glass sand, and potassium salts. Rich timber source in adjacent counties. Agricultural resources large and varied.

Climate: Average temperatures – Summer, 73.0°F; Winter, 32.1°F. Average annual rainfall, 37.96 inches; snowfall, 29.7 inches. Average growing season (frost free) days, 163. (Data based on a recent 30-year average.)

SOURCE: Maryland State Office of Climatology

Transportation

Air: Hagerstown Regional Airport (HGR) provides commercial passenger service, corporate and military aircraft services, charter, freight, fixed base operations and other services through the airfield's businesses. Cape Air provides daily passenger service to Baltimore/Washington International Thurgood Marshall Airport (BWI). Allegiant Air offers flights to Orlando Sanford International Airport (SFB) in Florida. The runway at HGR is 7,000 ft making it the second-longest runway in the State of Maryland. HGR has more than 40 defense and aviation firms that employ over 1,000 aerospace professionals including AgustaWestland, Inc., Sierra Nevada Corporation, Northrop Grumman Corporation, and Fugro EarthData International. HGR has approximately 40 acres of additional airfield accessible land for commercial development.

Bus: Washington County Commuter for local service; Greyhound Bus Lines for intercity service; two charter services.

Highways: Interstates 68, 70, 81; US Routes 11, 40, Alternate 40, 340, 522.

Intermodal Container Transfer: The Port of Baltimore (72 miles east of Hagerstown) has an intermodal container facility (ICTF) adjacent to Seagirt Marine Terminal, which serves import and export accounts, accommodating loading and discharge at the seaport. Another ICTF is located at Dundalk Marine Terminal – a general cargo facility with direct rail access. The Virginia Inland Port at Front Royal, VA (48 miles south of Hagerstown) serves the region as an interface between truck and rail for the transport of ocean-going containers to and from the Port of Norfolk, VA.

Rail: CSX Transportation and Norfolk Southern Railway. The mainlines of CSX and Norfolk Southern provide economical shipment to anywhere on the Atlantic Seaboard. CSX, with a public siding, operates daily trains and connects with other major carriers for long-distance shipping from Washington County. The Norfolk Southern mainline is just outside of Hagerstown. A CSX interchange with Norfolk Southern is in Hagerstown for nationwide access. Daily Amtrak service is available from Martinsburg, WV (23 miles southwest of Hagerstown). Weekday MARC service is available from Frederick, MD (27 miles east of Hagerstown) and Martinsburg, WV.

Water: Port of Baltimore, MD – 50-foot channel; Port of Norfolk, VA – 50 foot channel.

Highway Distances from Hagerstown, Maryland

City	Miles	Kilometers
Baltimore	72	117
Boston	449	728
Chicago	609	987
New York	243	394
Norfolk	252	408
Philadelphia	165	268
Pittsburgh	156	253
Richmond	176	285
Washington, DC	70	113

Population

Population		
Year	County	Hagerstown
1980*	113,086	34,132
1990*	121,393	35,445
2000*	131,923	36,687
2008**	145,384	39,728
2010***	149,250	
2015***	160,500	
2020***	170,950	

SOURCES: * U.S. Census Bureau (2000) ** Estimates for 2008 by the MD Department of Planning (2009). *** Projections by the Maryland Department of Planning (2009).

Population Density	317 persons/square mile	
Age	19 years and under	24.8%
	20-64 years (workforce age group)	61.1%
	65 years and older	14.1%
Median age	38.1 years	
Gender	Male	51.3%
	Female	48.7%
Race	White	86.1%
	Black	9.3%
	Others	4.6%

SOURCE: U.S. Census Bureau, 2008 American Community Survey (4-1) year estimate.

Population by Age Group

Age	County	Hagerstown*	Hagerstown MSA**
Under 18	22.9%	24.3%	23.9%
18-44	38.5%	40.4%	37.8%
45-64	24.6%	22.3%	25.3%
65+	13.8%	12.9%	12.9%

* Hagerstown data only encompasses the 21740 zip code. ** Metropolitan Statistical Area includes Washington County, MD; Berkeley County, WV; and Morgan County, WV.

(Note: Percentage may not total 100% due to rounding.)

SOURCE: Demographics USA® 2009, a publication of The Nielsen Company, Itasca, NY.

Population of Municipalities

Municipality	2000*	2008**
Boonsboro	2,890	3,399
Clear Spring	455	461
Funkstown	983	937
Hagerstown	36,875	39,728
Hancock	1,745	1,743
Keedysville	498	862
Sharpsburg	691	661
Smithsburg	2,179	2,908
Williamsport	1,868	2,278

SOURCES: * U.S. Census Bureau (2000), ** Estimates for 2008 by the MD Department of Planning (2009).

Housing

2009 Median Selling Price

Washington County	\$168,000
Maryland	\$256,217

SOURCE: Maryland Association of Realtors

Households

Number of Households	54,819
Number of Family Households	37,858
Number of Nonfamily Households	16,961

SOURCE: U.S. Census Bureau, 2008 American Community Survey (4-1)

Income

Per Capita Income*	\$33,378
Median Household Income**	\$52,150
Mean (Average) Household Income**	\$68,700
Median Family Income***	\$65,300

SOURCES: * U.S. Dept. of Commerce, Bureau of Economic Analysis (2007). ** Estimates for 2007 by the MD Department of Planning (2009). *** U.S. Census Bureau, 2008 American Community Survey (4-1)

2008 Effective Buying Income*

Income	County Total
Total EBI (\$000)	\$2,820,325
Per Capita EBI	\$19,065
Median Household EBI**	\$42,327

* Effective Buying Income (EBI) equals money income less personal and other tax payments, also known as "disposable" or "after-tax" income. ** Median Household EBI has proven to be a more statistically reliable indicator of an area's income levels than mean (average) figures.

SOURCE: Demographics USA® 2009, a publication of The Nielsen Company, Itasca, NY.

2008 Distribution of Income

Households by EBI Group	County	Hagerstown*	Hagerstown MSA**
Under \$25,000	25.2%	33.4%	25.4%
\$25,000 - 74,999	57.5%	55.9%	57.6%
\$75,000 & over	17.3%	10.3%	17.0%

* Hagerstown data only encompasses the 21740 zip code. ** Metropolitan Statistical Area includes Washington County, MD; Berkeley County, WV; and Morgan County, WV.

SOURCE: Demographics USA® 2009, a publication of The Nielsen Company, Itasca, NY.

Retail Sales

2008 Retail Sales By Store Group (\$000)

Store Group	County	Hagerstown*	Hagerstown MSA**
TOTAL	\$2,697,275	\$1,775,039	\$3,972,866
Food & Beverage	\$224,841	\$119,878	\$420,275
General Mdse.	\$402,479	\$378,179	\$561,739
Health/Personal Care	\$102,711	\$40,449	\$145,072

* Hagerstown data only encompasses the 21740 zip code. ** Metropolitan Statistical Area includes Washington County, MD; Berkeley County, WV; and Morgan County, WV.

SOURCE: Demographics USA® 2009, a publication of The Nielsen Company, Itasca, NY.

Labor

Regional Labor Supply: Washington County draws its workforce from counties within the Maryland/Pennsylvania/West Virginia tri-state region.

County	Population	Labor	Employed	Unemployed	%
Maryland					
Washington	145,384	67,925	61,248	6,677	9.8
Allegany	72,238	35,345	32,286	3,059	8.7
Frederick	225,721	124,765	117,160	7,605	6.1
Pennsylvania					
Franklin	143,495	81,000	74,400	6,600	8.2
Fulton	14,935	7,700	6,600	1,000	13.7
West Virginia					
Berkeley	102,044	45,220	41,280	3,950	8.7
Jefferson	51,615	24,200	22,570	1,630	6.7
Morgan	16,325	6,770	6,170	610	9.0
Total Regional Workforce					
	771,757	392,925	361,714	31,131	8.9

SOURCES: U.S. Census Bureau, 2000 Population Estimates; MD Department of Labor, Licensing & Regulation; WV Bureau of Employment Programs; and, PA Department of Labor and Industry. Data is an average for 2009.

2009 Top 15 Employers in Washington County

Rank	Employer	Employment
1.	Washington County Public Schools	2,958
2.	Washington County Health Systems, Inc.	2,860
3.	State of Maryland*	2,438
4.	First Data	1,999
5.	City	1,920
6.	Washington County Government	1,254
7.	Volvo Powertrain North America	1,115
8.	FedEx Ground	734
9.	The Bowman Group, LLP	720
10.	Hagerstown Community College	688
11.	Federal Government*	637
12.	Lehigh Phoenix	600
13.	Staples Distribution Center	598
14.	City of Hagerstown	543
15.	Unilever Ice Cream	445

* Data from the MD Department of Labor, Licensing & Regulation

SOURCE: Hagerstown-Washington County Economic Development Commission, based on year-end data provided by employers.

Distribution of Employment by Occupation

Total Employed	71,224	100.0%
Management, Professional & Related	20,847	29.3%
Service	12,742	17.9%
Sales & Office	18,916	26.5%
Farming, Fishing & Forestry	219	0.3%
Construction, Extraction, Maintenance & Repair	8,829	12.4%
Production, Transportation, & Material Moving	9,671	13.6%

SOURCE: U.S. Census Bureau, 2007 American Community Survey, 1+.

Distribution of Employment by Place of Work

2008 Annual Average

	Employment	%	Weekly Wage
Total Employment	66,074	100.0	\$696
Federal Government	687	0.1	821
State Government	2,618	4.0	837
Local Government	5,648	8.5	785
Private Employment	57,121	86.5	680
Natural Resources & Mining	146	0.2	836
Construction	3,750	5.7	773
Manufacturing	7,368	11.2	1032
Trade, Transportation & Utilities	16,040	24.3	565
Information	1,513	2.3	569
Financial Activities	6,337	9.6	835
Professional & Business Services	4,515	6.8	710
Education & Health Services	9,808	14.9	762
Leisure & Hospitality	5,935	9.0	258
Other Services	1,692	2.6	448
Unclassified	17	0.0	529

* Figures represent the number of employees in the county from any origin.

NOTE: Percentages may not total 100% due to rounding.

SOURCE: MD Department of Labor, Licensing & Regulation, Division of Labor Market Analysis & Information (2009).

Business Patterns of Washington County

Number of establishments by employment-size class

Industry	Total No. Estab.	1-19	20-99	100-499	500+
TOTAL	3,627	3,053	478	87	9
Agricultural	6	5	1	0	0
Mining	3	1	2	0	0
Utilities	6	3	2	1	0
Construction	474	432	37	5	0
Manufacturing	148	94	35	17	2
Wholesale Trade	158	129	25	4	0
Retail Trade	665	548	98	18	1
Transp./Warehousing	156	122	19	15	0
Information	53	39	11	2	1
F.I.R.E.*	325	306	16	1	2
Services	1,211	975	210	23	3
Other	422	399	22	1	0

An establishment is a single physical location where business is conducted or services or industrial operations performed. Paid employment includes full and part-time employees, including salaried officers and executives on payroll (excludes most government, railroad, and self-employed workers). * Finance, Insurance, and Real Estate.

SOURCES: U.S. Census Bureau, County Business Patterns 2007. Agricultural and mining data is based on information provided by employers to Hagerstown-Washington County Economic Development Commission.

Government and Taxes

County Seat: City of Hagerstown

Washington County Government: Five County Commissioners elected every four years. County administrator employed by the county.

City of Hagerstown Government: Mayor and five City Council members elected every four years. City administrator employed by the city.

Bond Rating:	City	A2	(Moody's)
		AA-	(Standard & Poor's)
	County	Aa3	(Moody's)
		AA	(Standard & Poor's)
		AA-	(Fitch)

Tax Rates			
	State	County	City
Sales Tax	6%	None	None
Real Property* Rate per \$100 of assessed value	\$112	\$948	\$788
Business Personal Property* Rate per \$100 of assessed value	None	\$2.37	\$1.97
Machinery, Tools & Equipment (Mfg.)	Exempt	Exempt	Exempt
Manufacturer Inventories	Exempt	Exempt	Exempt
Warehousing Inventories	Exempt	Exempt	Exempt
Corporate Income Tax (2008)	8.25%	None	
Personal Income Tax (2008)	2.0-6.25%**	2.8%	

*Assessment ratio: 100%

**Simplified tax pooling at 6.25% on taxable income over \$1,000,000.

NOTE: Maryland does not impose a state personal property tax on business. Some business exemptions apply to state sales tax.

Financial Profile of the County

Fiscal Year Ending 6/30/09

Assessed Property Value	\$13,779,083,000
Current Tax Collections	99.76%
Unreserved and Designated General Fund (GF)	
Balance as Percent of GF Revenue	17.7%
Major Sources of General Fund Revenue	
Property Taxes	60.3%
Income Taxes	31.2%
Other Revenue	8.5%

Utilities and Public Services

Electricity: Allegheny Power serves the county with a system of transmission and distribution lines of various voltages connected to its generating stations. The City of Hagerstown's Electric Division distributes electricity to many parts of the city.

Fuels: Industrial coal and fuel oil by tank or truck are available.

Gas: Columbia Gas of Maryland, Inc. services the area with natural gas. Propane is also readily available.

Solid Waste: The Washington County Solid Waste Department is dedicated to providing efficient and effective

services to the county's business and residential communities. The department is responsible for a safe and dependable solid waste disposal system that protects the environment and public health. The department operates five solid waste convenience centers and numerous recycling drop off sites for residential use. The **Forty West Landfill** is projected to provide 50 years of land filling capacity for Washington County.

Water/Wastewater/Wastewater Pretreatment:

City of Hagerstown Wastewater Divisions

Public water service and fire protection water are available in the Urban Growth Area of Washington County. Public sewer service is available in the Antietam Drainage Basin.

R.C. Willson Water Treatment Plant (Primary Plant)

Capacity: 20.0 million gallons per day (MGD) from the Potomac River

Average Daily Demand: 10.8 MGD

William M. Breichner Water Treatment Plant (Secondary Plant)

Capacity: 4.8 MGD from the Edgemont Reservoir

Average Daily Flow: .02 MGD

City of Hagerstown Wastewater Treatment Plant

Permitted Flow: 8.0 MGD

Average Daily Flow: 6.8 MGD

Washington County Department of Environmental Management

Public water and sewer services are provided in the non-incorporated areas of Washington County and the incorporated town of Sharpsburg. Full sewer service is provided to the incorporated town of Keedysville and sewer treatment only is provided to Smithsburg and Williamsport. Laboratory services are available for Washington County municipalities, industries, and homeowners.

Conococheague Wastewater Treatment Plant

Permitted Flow: 4.1 MGD

Average Daily Flow: 1.874 MGD

Service Area: 70/81 Industrial Park, Halfway, Hopewell Road Corridor, Hunters Green Business Center, Kemps Mill, Newgate Industrial Park, Route 63 Corridor, and St. James.

Spirit Services, Inc.

A private corporation that provides treatment services for industrial strength wastes at the **Conococheague Industrial Pretreatment Facility (CIPF)**.

Conococheague Industrial Pretreatment Facility

Design Flow: 125,000 GPD

Average Daily Flow: 81,503 gallons daily

Services: Treatment and disposal of non-regulated liquid waste containing petroleum products, metals, and high levels of Biochemical Oxygen Demand, emulsions, and other contaminants. CIPF is the designated treatment facility for septic tanks, holding tanks, and chemical toilet waste treatment in Washington County.

Municipal systems in Boonsboro, Clear Spring, Funkstown, and Hancock also provide water and sewer service.

Industrial & Business Parks

Washington County offers a variety of industrial and office properties for businesses. Approximately 20 business and industrial parks, including a technology park, are concentrated in the Hagerstown and Williamsport areas with easy access to Interstates 70 and 81. Approximately 2,180 acres are ready for development. Nearly 6 million square feet of office, commercial, warehouse, and manufacturing space is available for sale or lease, including some with airport runway access.

CoStar Group, a national commercial real estate provider, features Washington County industrial and commercial properties in its extensive online database at www.costar.com. The **Hagerstown-Washington County Economic Development Commission (EDC)** also maintains an inventory of available buildings and sites on its web site at www.hagerstownedc.org.

Market Data Profile			
	Low	High	Average
Land – cost per acre:			
Industrial	\$30,000	\$240,000	\$100,000
Office	\$150,000	\$700,000	\$340,000
Rental Rates – per square foot:			
Warehouse/Industrial	\$2.75	\$7.00	\$4.00
Flex/R&D/Technology	\$4.00	\$14.00	\$10.00
Class A Office	\$10.69	\$25.11	\$17.04

Foreign-Trade Zone

Foreign-Trade Zone (FTZ) #255, which is associated with the Baltimore Customs Port of Entry (Port of Baltimore), consists of seven sites with a total of 1,866 acres in Washington County. Those sites include Fort Ritchie at Cascade (formerly the Fort Ritchie Military Base); the Hagerstown Regional Airport complex; Hub Business Park; the Hunters Green/Hopewell Valley Industrial Complex; City of Hagerstown Industrial Park; Interstate Industrial Park; and the Meilott Foreign-Trade Zone.

The sites are ideally zoned for manufacturing, distribution, and warehousing activities. FTZs provide direct benefits to local businesses involved in foreign trade, through the reduction, elimination, or deferral of tariffs. Firms located within Washington County's FTZ are able to be more competitive in international markets.

Enterprise Zones

Approximately 3,600 acres in Washington County are within three state designated Enterprise Zones. Local and state incentives are available to new or expanding companies in these zones to promote growth of the industrial and commercial base. Qualified businesses can receive local real property tax credits for capital investment and state income tax credits for the creation of new jobs. Each Enterprise Zone is approved by the state for a ten-year period.

The amount of the real property tax credit a business may claim against City and County taxes imposed on the increase in assessed value of the new or expanded premises is:

Year(s)	Credit Amount
1 - 5	80%
6	70%
7	60%
8	50%
9	40%
10	30%

Qualified businesses may receive state income tax credits for creating new jobs in the form of a one time credit of \$1,000 for most new jobs and credits for hiring "disadvantaged employees," as vouchered by the State of Maryland, as follows:

Year 1 - \$3,000
Year 2 - \$2,000
Year 3 - \$1,000

City of Hagerstown/Washington County Enterprise Zone

Renewed in 2002, this zone encompasses approximately 1,400 acres and includes the Washington County Business Park, CSX Valley Park, and the City of Hagerstown Business Park.

Hagerstown Regional Airport Enterprise Zone

Renewed in 2004, this 700-acre zone includes the Hagerstown Regional Airport, Bowman Air Park Center at Hagerstown, TopFlight Air Park, the Washington County Business Air park, and several commercial properties along U.S. Route 11.

Hancock Enterprise Zone

Renewed in 2005, this 1,500-acre zone surrounds the Town of Hancock. The zone includes commercial and industrial development opportunities in select areas of town as well as commercial frontage along Main Street.

©2011 The American Community Survey is a new approach to producing critical information about the characteristics of local communities. It will eliminate the need for a long form in the 2010 Census and is a key part of the Census Bureau's Decennial Census Program. Data are limited to the household population and exclude the population living in institutions, college dormitories, and other group quarters. Data are based on a sample and are subject to sampling variability.