



2022 - 2024

PROSPECTUS

STRENGTHS - OPPORTUNITIES - INCENTIVES

2022 CENSUS UPDATE

GCAC

GREATER CRISFIELD ACTION COALITION

ECONOMIC DEVELOPMENT GOALS

TOURISM

BUSINESS DEVELOPMENT

CAPITALIZATION OF EXISTING
RESOURCES

RETIREES * VACATION HOMES *
NEWCOMERS

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EXECUTIVE SUMMARY

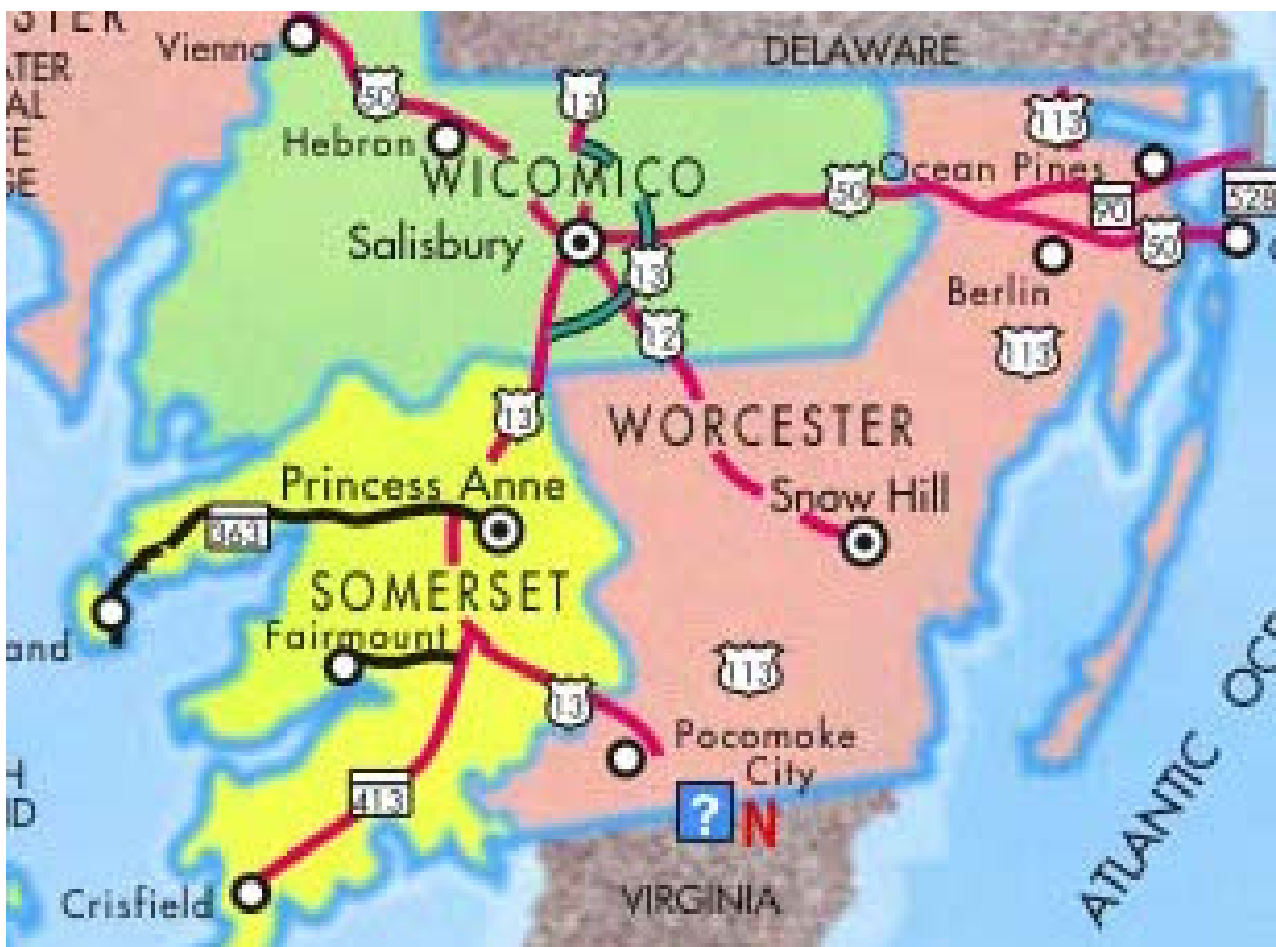
The Greater Crisfield Area is defined as the City of Crisfield and the rest of Somerset County, City of Salisbury and Pocomoke City. It is located in the Lower Eastern Shore of Maryland. The unique communities that make up this area have similar characteristics and needs. All are located in beautiful water oriented communities and certainly exemplify the charming stereotype of historic American small towns. In recent years this country has seen a resurgence in interest, curiosity and desirability for places with that hometown feel; the kind you read about in books or see in movies. COVID19 has certainly made small towns more desirable as people covet green and open spaces. Today's advances in technology make access to small towns possible, giving people the best of all worlds; a place to work, play and still have a wonderful quality of life. It took a pandemic to prove remote employees are productive.

GCAC created this prospectus as a way to help educate and attract potential new residents and business opportunities to the area. This is a tactic in the 3 year business plan (2021- 2024) established by the Coalition and supported by the City of Crisfield to maximize the area's assets and natural resources and to grow the economy. The prospectus targets four major economic development categories; tourism and all that encompasses the creation of a unique destination, business development bringing new industries and jobs, capitalization of existing resources by way of enhancements to boost and/or reinvent industries that have been mainstays here and finally to increase the number of retirees, second homebuyers and COVID inspired moves to the Lower Eastern Shore and our communities.

In this prospectus you will find information about our strengths, existing opportunities, demographic information, tax and financial incentives as well as city comparison data and more. As mentioned earlier, small towns are seeing a resurgence fueled by technological advances and capabilities. We invite you to take a closer look at our beautiful area.

DEFINING THE AREA

GCAC recognizes business and economic development must be broader than the needs of just one town. Economic advances in any of the surrounding towns will benefit all the towns in area. These towns are in close proximity, have similar characteristics, strengths and challenges. All would benefit from any improvement to their economies.



HISTORY

CRISFIELD

"Chesapeake" in the Native American dialects indigenous to the area translated roughly to "Sea of Fishes". The Bay's incredible wealth of seafood had long dictated the character of Crisfield. Early Native Americans collected the abundant oysters with wooden tongs and dried their catch to use in trade with inland tribes. The white settlers gradually built up a network of fishing shacks and piers over the waters of Somers Cove, as the fishing community was then known. Oysters became "big business" with the advent of the New England oyster dredges around 1840. The dredges could scoop up much larger hauls making them more efficient than the old hand tongs. New sailing crafts, the "bugeye" and the "skipjack" which could carry the extra weight of the dredges, replaced old log canoes. The vigor of the old bay port and its debt to the Bay are memorialized each summer by the J Millard Tawes Crab & Clam Bake in July and by the Hard Crab Derby on Labor Day weekend.

PRINCESS ANNE

The City of Princess Anne has been the county seat of Somerset County since 1744 and retains much of the 18th century flavor of its early years. A post town, Incorporated in 1733 and named after the 24 year old daughter of the British King George II, Princess Anne is the site of many historical Episcopal Churches.

The Chase House, built in 1713, was the birthplace of the signer of the Declaration of Independence. The Teackle Mansion, a pink brick Scottish-style manor house, was built in 1801 by Littleton Dennis Teackle, a prominent yet overly ambitious business entrepreneur who represented Somerset County for many years in the Maryland Assembly.

Sources: lowershore.net and visitsomerset.com

SALISBURY

Unless you lived there you might not think of Salisbury as a port city. But it is. Salisbury is connected to the Chesapeake Bay by the Wicomico River, and you can regularly see tug boats and other sizable ships that are produced or refurbished at Chesapeake Shipbuilding, lumbering along the small river. Since the early days when Delmarva was a British colony, land owning sea captains like Samuel Somers, Tom White, and Levin Gale used their plantations along the Wicomico River as a home base for their merchant vessels. They traveled to the Caribbean to purchase sugar, molasses, and rum. Up and down the Atlantic coast they traded their inventory. Meanwhile back at home their plantations produced tobacco, and corn. This city is the county seat of Wicomico County, Maryland and the largest city in the state's Eastern Shore region. The population is approximately 33,000. Salisbury is the principal city of the Salisbury, MD-Delaware Metropolitan Statistical Area. The city is the commercial hub of the Delmarva Peninsula, which was long devoted to agriculture and had a southern culture. It calls itself "The Comfortable Side of Coastal."

Today Salisbury attracts a wide variety of different businesses in addition to the county, state and federal government offices and Salisbury University. Adding to the diversity of Salisbury, the City is host to a wide variety of events celebrating local culture and the arts. It is also home to a City Park, the Salisbury Zoo, the Wicomico Youth & Civic Center and a Regional airport connecting to two international airports (Philadelphia and Charlotte)

Source: Delmarva Almanac and Wikipedia

POCOMOKE CITY

This city is dubbed "the friendliest town on the Eastern Shore", and is a city in Worcester County. The population is approximately 4,000 and is part of the Salisbury Maryland-Delaware Metropolitan Statistical Area.

Beginning in the late seventeenth century, a small settlement called Stevens Landing (sometimes Stevens Ferry) grew at the ferry landing on the south bank of the Pocomoke River. The town was incorporated as Newtown in 1865, but was reincorporated in 1878 as Pocomoke City, after the American Indian name of the river, meaning "black water". In addition to agriculture, industry such as lumber milling and shipbuilding and, in the twentieth century, factories making barrels and baskets for truck crops, and the canning of those crops, aided the town's growth.

While truck farming declined during the 1900s the poultry industry rose to take its place. NASA, the U.S. Navy and the Coast Guard helped with continued growth by bringing jobs to the area.

Pocomoke is a center for commerce on the lower shore, home to a growing industrial park with great diversity currently playing host to defense contractors, aerospace engineering and plastics fabrication. which most recently participated in producing large scale plastic masks to help during pandemic of COVID19. It is also strategically located very near the Wallops Island Flight Facility in VA.

Source: Wikipedia for Salisbury & Pocomoke

WHY THE GREATER CRISFIELD AREA?

QUALITY OF LIFE

Location and temperate climate make it a great place to live and work. In recent years it has become attractive to retirees and home-based workers (now even more common since COVID19) who take advantage of today's technological advances. It's attraction as a tourist destination increases every year as more people seek beautiful and serene environments. For folks who love to be near the water there is nothing like the Chesapeake Bay and surrounding rivers and creeks. The Chesapeake Bay has more shoreline than anyplace in the United States. Towns like Crisfield have become attractive to people who want to improve their quality of life without completely falling off the grid. The Greater Crisfield Area is desirous of economic business development in hopes of attracting more people and jobs to the area.

The lower Eastern Shore has been a relatively unknown place to people and companies in the US. Pre-pandemic we began to see an increase in visitors and the arrival of new residents, primarily baby boomers, from PA, NJ, NY, DE and other parts of Maryland who don't want to buy in high cost and overcrowded communities. The area businesses have been hit hard but we believe, post pandemic, opportunities will grow even more. We are in revival mode and definitely pro business while preserving the beauty of what attracts and keeps people here.

WHY THE GREATER CRISFIELD AREA?

STRENGTHS

Low Cost of Living - see section "City Comparisons" Cost of Housing and Land is very affordable including waterfront property. In 2014 Zillow named Crisfield as one of "America's" 10 Best Places to Buy a Waterfront Second Home". See sections for Housing information and City Cost Comparison

Large Harbor - Where commerce is conducted and cruise ships visit.

Somers Cove Marina - best state owned marina, managed by the MD Department of Natural resources with 515 deep water slips in a protected harbor accommodating boats from 15' to 150' with pool and fuel/pumping capabilities.

Proximity to Gateway Cities - Baltimore, DC and Philadelphia are approximately 3 hours or less by car.

Salisbury, MD - Is less than 40 minutes from the southern most point in the area giving residents access to major shopping centers, theaters, varied transportation options and other entertainment.

Higher Learning - 3 universities/colleges within 35 miles - University of Maryland Eastern Shore, Salisbury University and Wor Wic Community College. Eastern Shore Community College is approximately 1 hour away.



WHY THE GREATER CRISFIELD AREA?

STRENGTHS II

Salisbury - Ocean City Wicomico Regional Airport (SBY) has several daily flights to two international airports (Charlotte, NC and Philadelphia, PA) connecting fliers to flights going anywhere in the US and the world.

Crisfield Municipal Airport is a private hobbyist airport and currently has a relationship with UMES and their pilot training program.

Jane's Island State Park with 1300 acres of wilderness, 11 miles of pristine beaches and 30 miles of marked water trails is a favorite of visitors. There are 100+ tent, camper and cabin sites plus a nature center and conference facility. The park offers fishing, crabbing and kayaking.

Ferry Service to Smith & Tangier Islands twice a day from Crisfield. Rated "Best Trips 2016" by National Geographic Traveler.

Proximity Other Tourist locations - Within a 1 hour drive to Ocean City and Berlin, MD, Chincoteague and Assateague Island, VA and within 2.5 hours of Virginia's Hampton Rhodes area (Newport News, Hampton, Virginia Beach, Suffolk, Chesapeake, Norfolk and Portsmouth) giving residents and visitors many options.



WHY THE GREATER CRISFIELD AREA?

STRENGTHS III

Wallops Island NASA Space Center in VA - within 1 hour's drive

Chesapeake Bay and Tangier Sound provide endless entertainment of boating, fishing and offering an abundance of sea life and waterfowl

Crisfield Library is a \$6M state of the art library which opened in 2016

Golf Courses - Great Hope Golf Course in Crisfield and Nutter Crossing Golf Course in Salisbury

Bordeleau "The Water's Edge" Vineyard & Winery award winning winery located in Eden MD

The Wicomico Youth and Civic Center has a regional reputation for being a great place to hold or attend concerts, Broadway shows, family shows, trade shows, sporting events, meetings and receptions. The Civic Center boasts a 5,600 seat, 30,000 sf arena, a 10,000 sf secondary space with fixed stage as well as ten customizable meeting rooms. Annually the WY&CC hosts over 400 events and draws over 200,000 attendees.



WHY THE GREATER CRISFIELD AREA?

STRENGTHS IV

Top Five Kayak Destinations - by Paddler Magazine and Trip Advisor

Medical Facilities - Tidal Health Crisfield Pavilion and multiple Tidal Health facilities throughout the Delmarva Peninsula. Crisfield and Salisbury offering 24/7 emergency services and accessible by land, air and water.

Alice B. Tawes Nursing & Rehabilitation Center, a \$12.5M, 76 bed waterfront skilled nursing facility.

Chesapeake Cove Assisted Living facility with 30 waterfront apartments

Crisfield Art & Entertainment District is a State recognized not-for-profit entity helping to develop and promote community involvement, tourism and revitalization through tax-related incentives that attract artists, arts organizations and other creative enterprises.



WHY THE GREATER CRISFIELD AREA?

OPPORTUNITIES



Tourism - Develop Crisfield into a unique eco and recreational destination by adding:

- Full Service Hotel
- Cottage Industry: Create support for the developing cottage industry of private vacation rentals
- Restaurants/Bar: Develop the availability of full service, quality and culinary diverse options
- Recreational and Specialty Stores: develop a variety of businesses targeted to the tourist industry

Business Development - Attract businesses and commerce who create jobs, attract skilled workers, supports the needs of residents and helps grow the tax base of the municipalities by sourcing:

Natural Resource Businesses - water and agriculture are centric to the area. Attracting businesses able to bring new technologies to enhance our capabilities and preserve the environment creates a win.

New Industries: attracting new industries will bring job diversification and economic protection in the area.

- Identifying research, technology and small manufacturing enterprises could present the right combination of opportunities
- Develop lower cost transportation with increased frequency between nearby cities to facilitate employment opportunities for residents.

Waterfront Development - Capitalization of the Crisfield Waterfront for both leisure and business opportunity is a game changer.

WHY THE GREATER CRISFIELD AREA?

OPPORTUNITIES

Relocation Promotion - Attracting newcomers to the area grows and supports the local economies. Capitalizing on current trends fueled by the need to lower costs and other life events creates undeniable opportunities. We believe the area's characteristics will appeal to the below segments.

Baby Boomers - This market segment is retiring at a rate of 10,000 per day, which is expected to continue for the next 8 years. The population density in the Northeast corridor increases the opportunity. Many are looking for low cost options, temperate climates, serene environments and water orientation. This market segment is typically financially self sufficient.

Second Home Buyers - Younger boomers are looking for second homes they plan to retire to permanently. They have the same characteristics as the Boomers above.

COVID19 Inspired - A silver lining of the pandemic is the acceptance by employers that their employees are just as productive working remotely. The continuance of this will allow employees to live anywhere. Small to midsize Companies in High Cost

Areas - There is an opportunity to source companies who are looking to either expand their businesses to new locations or looking to reduce cost by relocating to lower costs areas. This presents another opportunity to grow the skilled labor force and opportunities locally.

WHY THE GREATER CRISFIELD AREA?

OPPORTUNITIES III

New Construction Development - Currently there is a shortage of newer housing in the area that appeals to four major segments. These segments are renters, first time homebuyers, retirees and remote workers. In addition there is likely to be a need on the commercial side. Attracting such developers and industry professionals will be important:

- Residential Builders
- Architects
- Commercial/Industrial developers



DEMOGRAPHICS

CITY OF CRISFIELD

People: 2,475

Median Age: 39.2

Households: 1,121

White: 1,383

Black: 797

Asian: 25

Hispanic: 158

PRINCESS ANNE

People: 3,446

Median Age: 25.7

Households: 1,440

White: 845

Black: 2,296

Asian: 44

Hispanic: 166

CITY OF SALISBURY

People: 33,050

Median Age: 29.2

Households: 12,705

White: 13,624

Black: 13,897

Asian: 1,232

Hispanic: 3,029

POCOMOKE CITY

People: 4,295

Median Age: 40.3

Households: 1,786

White: 1,978

Black: 1,828

Asian: 66

Hispanic: 174

SOURCE ACS COMMUNITY SURVEY 2020

RACE

AGE AND SEX

SELECTED SOCIAL CHARACTERISTICS IN THE UNITED STATES

HISPANIC OR LATINO, AND NOT HISPANIC OR LATINO BY RACE

EDUCATION & INCOME

EDUCATION (25+)

City of Crisfield: 95.6%

City of Salisbury: 85.7%

Pocomoke City: 90.6%

Princess Anne: 82.8%



EDUCATION (18-24)

City of Crisfield: 93.4%

City of Salisbury: 94%

Pocomoke City: 88.6%

Princess Anne: 92.6%



INCOME

City of Crisfield: \$34,444

City of Salisbury: \$44,474

Pocomoke City: \$38,402

Princess Anne: \$34,397

SOURCE: ACS COMMUNITY SURVEY 2020

EDUCATION ATTAINMENT (HIGH SCHOOL OR HIGHER - INCLUDES EQUIVALENCY FOR 25 YEAR+ AND 18-24 AGE BRACKET)

INCOME IN THE PAST 12 MONTHS (IN 2020 INFLATION-ADJUSTED DOLLARS) (US \$53,889 MEDIAN HOUSEHOLD)

HOUSING

CITY OF CRISFIELD

Housing Units: 1,455
Homeowner vacancy rate: 4.90%
Rental Vacancy Rate: 0%
Owners Occupied: 41.8%
Renters Occupied: 58.2%
Median Home Value: \$107,500
Median Monthly Rent: \$486
Homeowners without a mortgage: 45.5%
Homeowners with a Mortgage: 54.5%

CITY OF SALISBURY

Housing Units: 14,317
Homeowner vacancy rate: 3.50%
Rental Vacancy Rate: 4.90%
Owners Occupied: 27.5%
Renters Occupied: 72.5%
Median Home Value: \$167,800
Median Monthly Rent: \$1,061
Homeowners without mortgage: 33.1%
Homeowners with a Mortgage: 66.9%

POCOMOKE CITY

Housing Units: 1,998
Homeowner vacancy rate: 4.7%
Rental Vacancy Rate: 1.8%
Owners Occupied: 48.7%
Renters Occupied: 51.3%
Median Home Value: \$135,400
Median Monthly Rent: \$799
Homeowners without a mortgage: 45.3%
Homeowners with a Mortgage: 54.7%

PRINCESS ANNE

Housing Units: 1,832
Homeowner vacancy rate: 7.5%
Rental Vacancy Rate: 7.5%
Owners Occupied: 35.2%
Renters Occupied: 64.8%
Median Home Value: \$137,000
Median Monthly Rent: \$899
Homeowners without a mortgage: 6.7%
Homeowners with a Mortgage: 93.3%

LOCATION

Gateway City Access - All the towns within the Greater Crisfield area are less than a 3 1/2 hour drive from gateway cities like Baltimore, DC, Philadelphia and Wilmington, DE.

Transportation - AIR: Salisbury Ocean City Wicomico airport (SBY) is less than 40 minutes from anywhere in the Greater Crisfield Area. This regional airport has direct American Airline flights into and out of Charlotte, NC and Philadelphia, PA where fliers can access connections to many direct flights throughout the US and the world.

4 major international airports within a 3 1/2 hours car ride: Baltimore/Washington (BWI), Washington Dulles and Ronald Regan airports in DC and Philadelphia International Airport.

Bus - Greyhound Bus provides service via Shore Transit Tri County Bay Runner Shuttle in Salisbury has round trip service to BWI airport, BWI rail station to access Amtrak and other rail services on a daily basis.

Shore Transit has commuter services along the Route 413, Rt. 50 and Rt. 113 corridors for most of the towns within the area and beyond.

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS

MARYLAND ECONOMIC DEVELOPMENT ASSISTANCE AUTHORITY AND FUND (MEADAAF)

A flexible and broad-based program, MEDAAF funds grants, loans and investments to support economic development initiatives. Uses include business attraction and retention, infrastructure support, brownfield redevelopment, arts and entertainment districts, daycare, Seafood & Aquaculture revolving loan funds and local strategic planning. Projects must be within Priority Funding Areas and eligible industry sectors. Awards are made on a competitive basis.

MARYLAND E-INNOVATION INITIATIVE FUND (MEIF)

The Maryland E-INnovation Initiative Fund (MEIF) administered by the Maryland Department of Commerce, offers a state match to private funds raised in support of endowed chairs at Maryland's higher education institutions.

Benefit: Under the fund \$8.5 million will be appropriated by the Governor annually from fiscal 2016 through 2021. Investment earnings on the endowments will be expended to further basic and applied research in scientific and technical fields of study as specified by the bill and as determined by the Maryland E-INNOvation Initiative Fund Authority.

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS II

MARYLAND ECONOMIC ADJUSTMENT FUND (MEAF)

MEAF assists small businesses with upgrading manufacturing operations, developing commercial applications for technology, or entering into and competing in new economic markets. Eligible businesses include manufacturers, wholesalers, service companies, and skilled trades. Funds can be used for working capital machinery and equipment, building renovations, real estate acquisitions and site improvements. Funding assistance through MEAF is available to small businesses in all regions of the state. Benefits: Funds can be used for working capital, machinery and equipment, building renovations, real estate acquisition and site improvements.

NEW 2022 MARYLAND INCENTIVES

The Retirement Tax Elimination Act provides relief for retirees 65 and older making up to \$100,000 in retirement income, and married couples making up to \$150,000 in retirement income. (\$1.55 billion)

The Work Opportunity Tax Credit incentivizes employers and businesses to hire and retain workers from underserved communities that have faced significant barriers to employment. (\$195 million)

Family Budget Boosters: sales tax exemptions for child care products such as diapers, car seats, and baby bottles, and critical health products such as dental hygiene products, diabetic care products, and medical devices. (\$115.6 million)

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS III

PARTNERSHIP FOR WORKFORCE QUALITY (PWQ)

PWQ provides matching training grants and support services targeted to improve the competitive position of small and mid-sized manufacturing and technology companies. Grants are used to increase the skills of existing workers for new technologies and production processes, improve employee productivity and increase employment stability.

Benefits: Matching grant funds are used to reimburse up to 50% of the costs of qualified projects.

Eligibility: Applicants must be a Maryland employer, may not be in areas with any State taxing agency and not be in default with any commerce program.

Applicants should have a minimum of ten full-time employees. At least 60% of available funds must be awarded to employers with 150 or fewer employees in the State.

The Program encourages the participation of small and minority-owned businesses. Priority will be given to manufacturing and technology companies. In regions of the State where regionally important industries have been identified beyond manufacturing and technology, justification should be provided to approve PWQ funding.

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS IV

ECONOMIC DEVELOPMENT OPPORTUNITIES PROGRAM FUND (SUNNY DAY)

The Sunny Day fund supports extraordinary economic development opportunities that create and retain employment as well as create significant capital investments. Projects must generate significant jobs in areas of high unemployment; they are evaluated on a competitive basis and must be consistent with the state's strategic economic development plan.

Benefits: Opportunities must generate substantial employment, particularly in areas of high unemployment.

Eligibility: Participants must provide a minimum capital investment of at least five times the amount of the Sunny Day assistance. Applicants must possess a strong balance sheet and be credit worthy.

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS V

ONE MARYLAND TAX CREDIT

Businesses that invest in an economic development project in a "qualified distressed county" and create at least 25 new full-time jobs may qualify for up to \$5.5 million in state income tax credits. Project tax credits of up to \$5 million are based on qualifying costs incurred in connection with the acquisition, construction, rehabilitation and installment of a project. Start-up tax credits of up to \$500,000 are available for the expense of moving a business from outside of Maryland and for the costs of furnishing and equipping the new location. The credit can be carried forward 14 years and is refundable, subject to certain limitations.

One Maryland Jurisdictions

The following counties are Qualified Distressed Counties for the One Maryland Tax Credit:

- Allegany
- Baltimore City
- Dorchester
- Somerset
- Worcester

ENTERPRISE ZONE TAX CREDIT (EZ)

The EZ program provides real property and state income tax credits for businesses located in a Maryland enterprise zone in return for job creation and investments. Businesses located in Focus Areas may be also qualified for personal property tax credits on new investment in personal property and enhanced income tax credit for creating new jobs.

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS VI

MORE JOBS FOR MARYLANDERS – MANUFACTURING TAX CREDIT

One of Governor Hogan's top legislative priorities of 2017, More Jobs for Marylanders is a new program that incentivizes and encourages manufacturers to create jobs in areas of Maryland that need jobs the most. Created for new and existing manufacturing businesses, the Program provides tax incentives tied to job creation for a 10 year period, encourages additional investment in the new equipment through accelerated and bonus depreciation and helps to strengthen Maryland's workforce.

New manufacturing businesses locating in a Tier 1 county and creating at least five new jobs may be entitled to a 10-year (1) income tax credit based on the number of jobs created; (2) State property tax exemption; (3) sales and use tax refund for specific purchases; and (4) waiver of all State Department of Assessment and Taxation fees. Tier 1 jurisdictions include Baltimore City and Allegany, Dorchester, Somerset and Worcester Counties. Tier 2 counties that have been promoted for Tier 1 benefits, per the Secretary's approval authority to designate three counties, are Baltimore, Prince George's and Washington Counties.

Additionally, existing manufacturing businesses will qualify for 10-year income tax credit if they create five jobs in a Tier 1 county or 10 jobs in a Tier 2 County. Maryland's Tier 2 includes all remaining counties.

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS VI (Cont.)

Benefits:

Provides tax incentives tied to job creation for a 10 year period.

New businesses in Tier 1 jurisdictions receive a refundable State income tax credit (5.75% of the wage per new position); State Property Tax Credit (\$0.112 per \$100 assessed); refund of Sales and Use Tax; and waiver of SDAT fees for the creation of 5 or more new jobs.

Existing businesses in Tier 1 and Tier 2 jurisdictions receive a refundable State income tax credit of 5.75% of wage per new position, for the creation of 5 new jobs and 10 new jobs, respectively.

Encourages additional investment in new equipment through accelerated and bonus depreciation.

Re-couples Maryland to Federal Internal Revenue Code Section 179 and 168(k)

Frees up capital more rapidly, for application into facility upgrades, hiring and other growth-related initiatives.

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS VI (Cont.)

Most effective with small manufacturers that need capital to reinvest in their businesses.

For tax years beginning after 12/31/2018, under IRC Section 179 manufacturers can expense capital expenditures up to \$510,000/year, with the expensing option phased out after \$2,030,000 for 2019.

Bonus depreciation under IRC Section 168(k) is independent from IRC Section 179. Bonus depreciation allows a business to deduct as a depreciation expense, 30% of the adjusted basis of certain qualified property in the year that the property is placed in service after 2019.
Strengthens Maryland's Workforce

\$1 million for Partnership for Workforce Quality (PWQ), providing matching grants to manufacturers that provide incumbent worker training programs.

\$1 million for Workforce Development Scholarships to eligible students enrolled in job training programs at community colleges.

\$1,000 income tax credit, per apprentice, for manufacturers that employ eligible apprentices.

Additional measures to encourage high schools to provide increased vocational training programs.

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS VII

MARYLAND ART & ENTERTAINMENT DISTRICTS INCENTIVE – PROPERTY TAX

The owner of a manufacturing, commercial, or industrial property is eligible for a local property tax credit based on the difference between the pre- and post-renovation assessments of the property when it has been wholly or partially renovated for use by "qualified residing artists" or "arts and entertainment enterprises." In Crisfield, this incentive is the maximum amount, 100% for the increased value in assessment in both City and County property taxes for 10 years.

A "qualified residing artist" who lives in Maryland and sells "artistic work" in any of the 25 A&E Districts throughout the State is eligible for the income tax subtraction modification on income derived from their in-district sales (for performing artists, this includes income derived from performances in a district; for all "qualified residing artists", this includes internet sales originating in a district).

Local governments may exempt from the admissions and amusement tax gross receipts from any admissions or amusement charge imposed by an "arts and entertainment enterprise" or a "qualifying residing artist" in an A&E District.

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS VIII

BIOTECHNOLOGY INVESTMENT INCENTIVE TAX CREDIT

BIITC provides an investor with income tax credits equal to 50%* of an eligible investment in a Qualified Maryland Biotechnology Company (QMBC). The program supports investment in seed and early-stage biotech companies to promote and grow the biotech industry in Maryland. Investment does not include any transaction in which a purchase of an interest in a qualified Maryland biotechnology company is to be financed, in whole or part, by the qualified Maryland biotechnology company (or any of its subsidiaries). This would include a transaction in which a potential investor has agreed to pay any portion of the tax credit to the qualified Maryland biotechnology company.

Benefits: BIITC provides an income tax credit equal to 50%* of an eligible investment in a QMBC up to \$250,000* for each QMBC per fiscal year. Total credits issued during them fiscal year cannot exceed the budget amount and are, therefore, issued on a first-come basis. The credit is refundable if the investor has no Maryland income tax liability.

Eligibility: A qualified investor is an individual or any entity that invests at least \$25,000 in a QMBC and is required to file an income tax return in any non-tax haven jurisdiction. An investor is limited to a credit of \$250,000* for each QMBC per fiscal year.

QMBC is a company that (1) has its headquarters and base of operations in Maryland; (2) has fewer than 50 employees; (3) is in active business no longer than 12 years (up to 15 years if in the process of regulatory approval) and once certified as a QMBC, may remain eligible for a qualified investment for up to 12 years; and (4) certified by Commerce as a QMBC.

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS IX

SMALL BUSINESS RELIEF TAX CREDIT

The Small Business Relief Tax Credit is a refundable tax credit available to small businesses that provide their employees with paid sick and safe leave.

Benefits: Small businesses may claim a refundable tax credit for the accrued paid sick and safe leave for each employee earning paid sick and safe leave up to \$500 per employee, or \$7,000 per small business.

Eligibility: To qualify for the tax credit, a small business must employ 14 or fewer employees whose primary work location is in Maryland, and provide its employees with paid sick and safe leave. Under the Maryland Healthy Working Families Act, employees earn 1 hour of paid sick and safe leave for every 30 hours worked, and sick and safe leave is paid at the same rate as an employee's normal hourly wages. Qualified employee(s) earning wages paid by the small business must be equal to or less than 250% of the annual federal poverty guideline for a single-person household. For Tax Year 2019, the annual poverty guideline is \$30,350 per year/\$14.59 an hour.

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS X

RESEARCH AND DEVELOPMENT TAX CREDIT

Businesses that have qualified R&D expenditures in Maryland may qualify for two-state income tax credits, the Basic R&D Tax Credit and the Growth R&D Tax Credit.

Benefits: Basic R&D Tax Credit Three percent (3%) of eligible R&D expenses that do not exceed the Maryland Base Amount. If the total credits applied for exceeding \$5.5 million, the business's Basic tax credit is prorated. Basic R&D Tax Credit Ten percent (10%) of eligible R&D expenses in excess of the Maryland Base Amount. If the total credits applied to exceed \$6.5 million, the business' Growth R&D tax credit is prorated. The tax credit(s) remains in effect until June 30, 2022, subject to extension by the General Assembly.

Eligibility: The Maryland Department of Commerce (Commerce) follows the federal definition of qualified R&D and qualified R&D expenses. To qualify the business must incur Qualified Research and Development Expenses, as defined by § 41(b) of the Internal Revenue Code in Maryland. The business must submit an application to Commerce by November 15th for expenses incurred in the previous calendar year.

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS XI

RETIREMENT TAX ELIMINATION ACT

This bill creates a nonrefundable credit against the State income tax for a resident (1) who is at least age 65 and (2) whose federal adjusted gross income does not exceed \$100,000 (\$150,000 if married filing jointly). The amount of the tax credit is equal to (1) \$1,000 for an individual or if only one of the individuals filing a joint return is an eligible individual; and (2) \$1,750 if married filing jointly and both individuals are at least age 65.

The value of the tax credit is reduced for certain taxpayers if specified Board of Revenue Estimates are below a certain amount. The bill also expands the State subtraction modification for retired law enforcement; correctional officer; and fire, rescue, and emergency services personnel.

The bill takes effect July 1, 2022, and applies to tax year 2022 and beyond.

MARYLAND STATE TAXES AND INCOME TAXES I

MARYLAND INCOME TAX RANGE

Low: 2% (on less than \$1,000 of taxable income)

High: 5.75% (on more than \$250,000 of taxable income for single filers; more than \$300,000 for joint filers)

Maryland counties and Baltimore City levy additional income taxes.

Maryland Taxation of Social Security Benefits

Social Security benefits are not taxed by the state.

Maryland Tax Breaks for Other Retirement Income

For the 2022 tax year, taxpayers age 65 and older can exclude up to \$34,300 of federally-taxed income from an employee retirement plan (e.g., a pension or 401(k) plan, but not an IRA).

Retired correctional officers, police officers, firefighters, rescue workers, emergency services personnel, forest rangers, park rangers, and wildlife rangers age 55 to 64 can exclude up to \$15,000 of federally-taxed income from an employee retirement plan.

Beginning with the 2022 tax year, single residents who are at least 65 years old with a federal adjusted gross income of \$100,000 or less can claim a \$1,000 tax credit. The credit amount is \$1,750 for joint filers, surviving spouses, and head-of-household filers 65 or older with a federal AGI of \$150,000 or less (\$1,000 if only one spouse for a couple filing a joint return is eligible). The credit amount can be reduced in future years if revenue estimates are lowered by a certain amount.

Also starting in 2022, anyone who is at least 100 years old can exclude up to \$100,000 of income from tax.

Up to \$15,000 of income from a military retirement plan is exempt for taxpayers age 55 or older (\$5,000 for taxpayers under age 55).

Railroad Retirement benefits are fully exempt.

MARYLAND STATE TAXES AND INCOME TAXES II

MARYLAND SALES TAX

6% state levy. No local taxes.

- Groceries: Exempt
- Clothing: Taxable
- Motor Vehicles: Exempt from ordinary sales tax, but taxable under special 6% excise tax
- Prescription Drugs: Exempt

MARYLAND FUEL AND MOTOR TAXES

Gasoline: 36.1¢ per gallon.

Diesel: 36.85¢ per gallon.

MARYLAND STATE TAXES AND INCOME TAXES III

MARYLAND REAL PROPERTY TAXES

In Maryland, the median property tax rate is \$1,078 per \$100,000 of assessed home value.

Maryland Property Tax Breaks for Retirees

Local governments can establish a property tax deferral program that allows residents 65 or older to defer the increase in their tax bill for county taxes. The deferred taxes become a lien on the property and must be repaid when the property is transferred.

Some localities are also authorized to provide property tax credits to residents age 65 or older.

A Renters' Tax Credit program provides up to \$1,000 a year for qualifying residents. Requirements are relaxed for renters age 60 and older. Income limits apply.

MARYLAND STATE TAXES AND INCOME TAXES IV

MARYLAND SIN TAXES

Cigarettes: \$3.75 per pack

Premium cigars: 70% of the wholesale price

Non-premium cigars: 15% of the wholesale price

Pipe Tobacco: 30% of the wholesale price

Other tobacco products: 53% of the wholesale price

Vapor products: 12% sales tax on electronic smoking devices, and 60% sales tax on vaping liquid sold in a container of 5 milliliters or less; no statewide excise tax, but county taxes may apply if they were imposed on or before January 1, 2020.

Beer: \$0.09 per gallon

Wine: \$0.40 per gallon

Liquor: \$1.50 per gallon

A 9% sales tax is also levied.

MARYLAND STATE TAXES AND INCOME TAXES V

MARYLAND ESTATE TAXES

Maryland's estate tax exemption is \$5 million, plus any predeceased spouse's unused exclusion amount. Rates range from 0.8% to 16%.

While Maryland also has an inheritance tax (with a flat 10% rate), the list of heirs exempt from paying it includes the decedent's spouse, parents, grandparents, children, grandchildren, siblings, son-in-law, daughter-in-law and surviving spouse of a deceased child. In addition, property not exceeding \$1,000 passing to any one person is not subject to the tax.

MARYLAND INCENTIVES & TAX CREDIT PROGRAMS XII

FURTHER INFORMATION

Further information pertaining to the Maryland Department of Commerce's application process as well as additional financial incentives may be accessed at

[HTTPS://COMMERCE.MARYLAND.GOV/FUND](https://commerce.maryland.gov/fund)



CRISFIELD, MD VS WASHINGTON DC

Overview

	Crisfield, MD	Washington, DC	United States
Overall	73.0	150.6	100
Food & Groceries	101.3	114.1	100
Health	83.3	95.5	100
Housing	26.7	231.5	100
Median Home Cost	\$77,800	\$675,400	\$291,700
Utilities	106.2	106.0	100
Transportation	91.9	135.3	100
Miscellaneous	76.3	175.9	100

Highlights

Washington is **106.3% more expensive** than Crisfield.

Washington [housing](#) costs are 767.0% more expensive than Crisfield housing costs.

[Health](#) related expenses are 14.6% more in Washington.

CRISFIELD, MD VS WASHINGTON DC

Crime

	Crisfield, MD	Washington, DC	United States
Violent Crime	13.3	56.2	22.7
Property Crime	14.8	63.9	35.4

Crime is ranked on a scale of 1 (low crime) to 100 (high crime)

CRISFIELD, MD VS WASHINGTON DC

Economy

	Crisfield, MD	Washington, DC	United States
Unemployment Rate	7.4%	7.0%	6.0%
Recent Job Growth	-0.9%	1.8%	1.6%
Future Job Growth	25.4%	33.7%	33.5%
Sales Taxes	6.0%	6.0%	6.2%
Income Taxes	8.0%	6.5%	4.6%
Income per Cap.	\$15,805	\$50,832	\$31,177
Household Income	\$29,681	\$77,649	\$57,652
Family Median Income	\$32,722	\$95,995	\$70,850

SPERLING'S BEST PLACES 11/2022
100-NATIONAL
AVERAGE

CRISFIELD, MD VS PHILADELPHIA, PA

Overview

	Crisfield, MD	Philadelphia, PA	United States
Overall	73.0	105.0	100
Food & Groceries	101.3	102.5	100
Health	83.3	102.1	100
Housing	26.7	75.9	100
Median Home Cost	\$77,800	\$221,400	\$291,700
Utilities	106.2	107.7	100
Transportation	91.9	141.9	100
Miscellaneous	76.3	109.5	100

Highlights

Philadelphia is **43.8% more expensive** than Crisfield.

Philadelphia [housing](#) costs are 184.3% more expensive than Crisfield housing costs.

[Health](#) related expenses are 22.6% more in Philadelphia.

CRISFIELD, MD VS PHILADELPHIA, PA

Crime

	Crisfield, MD	Philadelphia, PA	United States
Violent Crime	13.3	50.8	22.7
Property Crime	14.8	46.6	35.4

CRISFIELD, MD VS PHILADELPHIA, PA

Economy

	Crisfield, MD	Philadelphia, PA	United States
Unemployment Rate	7.4%	10.6%	6.0%
Recent Job Growth	-0.9%	1.2%	1.6%
Future Job Growth	25.4%	28.4%	33.5%
Sales Taxes	6.0%	8.0%	6.2%
Income Taxes	8.0%	7.0%	4.6%
Income per Cap.	\$15,805	\$24,811	\$31,177
Household Income	\$29,681	\$40,649	\$57,652
Family Median Income	\$32,722	\$50,434	\$70,850

SPERLING'S BEST PLACES 11/2022
100-NATIONAL
AVERAGE

CRISFIELD, MD VS BALTIMORE, MD

Overview

	Crisfield, MD	Baltimore, MD	United States
Overall	73.0	91.3	100
Food & Groceries	101.3	98.0	100
Health	83.3	84.6	100
Housing	26.7	60.2	100
Median Home Cost	\$77,800	\$175,500	\$291,700
Utilities	106.2	107.3	100
Transportation	91.9	124.4	100
Miscellaneous	76.3	107.7	100

Highlights

Baltimore is **25.1% more expensive** than Crisfield.

Baltimore [housing](#) costs are 125.5% more expensive than Crisfield housing costs.

[Health](#) related expenses are 1.6% more in Baltimore.

CRISFIELD, MD VS BALTIMORE, MD

Crime

	Crisfield, MD	Baltimore, MD	United States
Violent Crime	13.3	77.8	22.7
Property Crime	14.8	67.6	35.4

CRISFIELD, MD VS BALTIMORE, MD

Economy

	Crisfield, MD	Baltimore, MD	United States
Unemployment Rate	7.4%	7.9%	6.0%
Recent Job Growth	-0.9%	0.6%	1.6%
Future Job Growth	25.4%	25.1%	33.5%
Sales Taxes	6.0%	6.0%	6.2%
Income Taxes	8.0%	11.0%	4.6%
Income per Cap.	\$15,805	\$28,488	\$31,177
Household Income	\$29,681	\$46,641	\$57,652
Family Median Income	\$32,722	\$56,236	\$70,850

CRISFIELD, MD VS LEWES, DE

Overview

	Crisfield, MD	Lewes, DE	United States
Overall	73.0	117.0	100
Food & Groceries	101.3	109.0	100
Health	83.3	113.4	100
Housing	26.7	156.5	100
Median Home Cost	\$77,800	\$456,400	\$291,700
Utilities	106.2	101.1	100
Transportation	91.9	87.0	100
Miscellaneous	76.3	89.2	100

Highlights

Lewes is **60.3% more expensive** than Crisfield.

Lewes [housing](#) costs are 486.1% more expensive than Crisfield housing costs.

[Health](#) related expenses are 36.1% more in Lewes.

CRISFIELD, MD VS LEWES, DE

Crime

	Crisfield, MD	Lewes, DE	United States
Violent Crime	13.3	13.5	22.7
Property Crime	14.8	37.3	35.4

CRISFIELD, MD VS LEWES, DE

Economy

	Crisfield, MD	Lewes, DE	United States
Unemployment Rate	7.4%	6.4%	6.0%
Recent Job Growth	-0.9%	1.3%	1.6%
Future Job Growth	25.4%	37.5%	33.5%
Sales Taxes	6.0%	0.0%	6.2%
Income Taxes	8.0%	5.6%	4.6%
Income per Cap.	\$15,805	\$61,096	\$31,177
Household Income	\$29,681	\$72,474	\$57,652
Family Median Income	\$32,722	\$94,191	\$70,850

SPERLING'S BEST PLACES 11/2022
100-NATIONAL
AVERAGE

CRISFIELD, MD VS OXFORD, MD

Overview

	Crisfield, MD	Oxford, MD	United States
Overall	73.0	140.6	100
Food & Groceries	101.3	109.2	100
Health	83.3	82.3	100
Housing	26.7	240.6	100
Median Home Cost	\$77,800	\$701,800	\$291,700
Utilities	106.2	109.0	100
Transportation	91.9	79.9	100
Miscellaneous	76.3	109.0	100

Highlights

Oxford is **92.6% more expensive** than Crisfield.

Oxford [housing](#) costs are 801.1% more expensive than Crisfield housing costs.

[Health](#) related expenses are 1.2% less in Oxford.

CRISFIELD, MD VS OXFORD, MD

Crime

	Crisfield, MD	Oxford, MD	United States
Violent Crime	13.3	7	22.7
Property Crime	14.8	20.4	35.4

CRISFIELD, MD VS OXFORD, MD

Economy

	Crisfield, MD	Oxford, MD	United States
Unemployment Rate	7.4%	5.4%	6.0%
Recent Job Growth	-0.9%	-1.0%	1.6%
Future Job Growth	25.4%	28.3%	33.5%
Sales Taxes	6.0%	6.0%	6.2%
Income Taxes	8.0%	7.2%	4.6%
Income per Cap.	\$15,805	\$74,573	\$31,177
Household Income	\$29,681	\$94,375	\$57,652
Family Median Income	\$32,722	\$133,250	\$70,850

GCAC BOARD MEMBERS



Frances Martinez Myers - President

Principal of HIMW Consulting, LLC, former corporate executive and 38 year veteran in real estate related corporation relocation and asset management businesses both domestically and international



Donnie Drewer, Vice President

Retired district engineer, state highway administration for MD in the four lower counties of the Eastern Shore



J. Tawes Treasurer

Owner of Tawes Insurance and several other businesses in Crisfield, successful community leader instrumental in establishing the Alice B. Tawes Nursing & Rehabilitation Center and the Chesapeake Cove Assisted Living Facility, President of Crisfield Heritage Foundation

GCAC BOARD MEMBERS



Linda Singh - Secretary

Owner of Bay Gift Vault in Crisfield, MD, founder of Sitara Collections, former senior marketing director for Coty, inc. in NYC



Steve Flaherty

Business owner Agralarm, inc. in Salisbury, MD



Curt Lafey

Construction manager and retail business specialist. Founder and chief operating officer, Strategic Consulting Alliances LLC, government construction services contractor throughout the East Coast and Caribbean

GCAC BOARD MEMBERS



Steve Raab

Small business owner and entrepreneur of Raab Rentals with more than 20 properties in Crisfield.



Meagan Tawes Anderson

Served Somerset County as an Assistant State's Attorney for the Somerset County State's Attorney's Office.



GREATER CRISFIELD ACTION COALITION

NEXT STEPS...

"The future never just happened.
It was created."

- Will and Ariel Durant

Frances Martinez Myers

President | GCAC

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