



TOWN OF FREDERICK

Board of Trustees

Information Memorandum

Tracie Crites, Mayor

Chad TeVelde, Trustee
Mark Lamach, Trustee
Adam Mahan, Trustee

Dan March, Mayor Pro Tem
Kevin Brown, Trustee
Windi Padia, Trustee

Economic Development Program Review

Agenda Date: Town Board Meeting – January 3, 2023

Attachments:

- a. Presentation
- b. *Incentives 2.0*
- c. *How state and local governments win at attracting companies*

Submitted by: Maxwell Daffron
Economic Development Manager

Approved for Presentation: Bryan Ostler
Town Manager

Strategic Plan Alignment:

- Community and Economic Vitality – As part of the Board’s adopted Strategic Plan concerning community and economic vitality, the Economic Development Office currently manages several business incentive programs that help boost daytime population of the Town.
- Dynamic, Inclusive & Connected Community – As part of the Economic Development Office’s continued outreach and public engagement with the business community, we are better able to understand the needs of our businesses located within Frederick. This is directly tied to section 3.1 of the Strategic Plan which states, “Implement new ways to increase accessibility to public engagement including both traditional and nontraditional methods”.
- Fiscally Responsible Governance - In order to meet section 6.2 of the Strategic Plan, The Town Economic Development Office is making changes to business attraction and retention programs, as well as bringing new data analysis tools online, in order to enhance organizational transparency.

Built on What Matters.

Detail of Issue/Request:

In the Fall of 2020, the Town created a standardized business attraction incentive program in order to ensure that Town was deliberate and transparent in its business attraction efforts. Since then, in 2021, the Town took steps to create a dedicated Economic Development Office within the Community and Economic Development Department. With the creation of that of that office, the Town created its first ever economic development team. Now that the Town’s incentive policy has been active for two years, the Town of Frederick Economic Development Office would like to provide the board of trustees with an update on the status of several of the Town’s incentive programs and how they have been beneficial towards the achievement of the Town’s goals outlined in the Strategic Plan. Additionally, Economic Development Staff would like to present the Board with an update on the Downtown Façade loan program as well as provide recommendations as to how the program can be improved to better retain businesses that are already located within Frederick.

As part of the presentation of the economic development programs, Economic Development Staff would like to present some information to the Board on best practices in the field of economic development regarding incentive programs. At the conclusion of the presentation, Economic Development Staff will outline next steps already underway for program improvements and introduce some data tools that the team will be utilizing to monitor the ongoing success of the Town’s business incentive programs.

Alternatives/Options:

Alternatively, the Board could ask Economic Development Staff to provide further information regarding the program changes during the planned Economic Development Year in Review in March.

Financial Considerations:

No financial considerations exist currently. Economic Development Staff already included funds that would be needed for any program improvements in the approved 2023 budget.

Staff Recommendation:

Staff recommends that the Board of Trustees support the changes to the economic development incentive programs to better and more transparently attract and retain businesses.