

Economic Overview



Prepared by:

St. Mary's County Department of
Economic & Community Development

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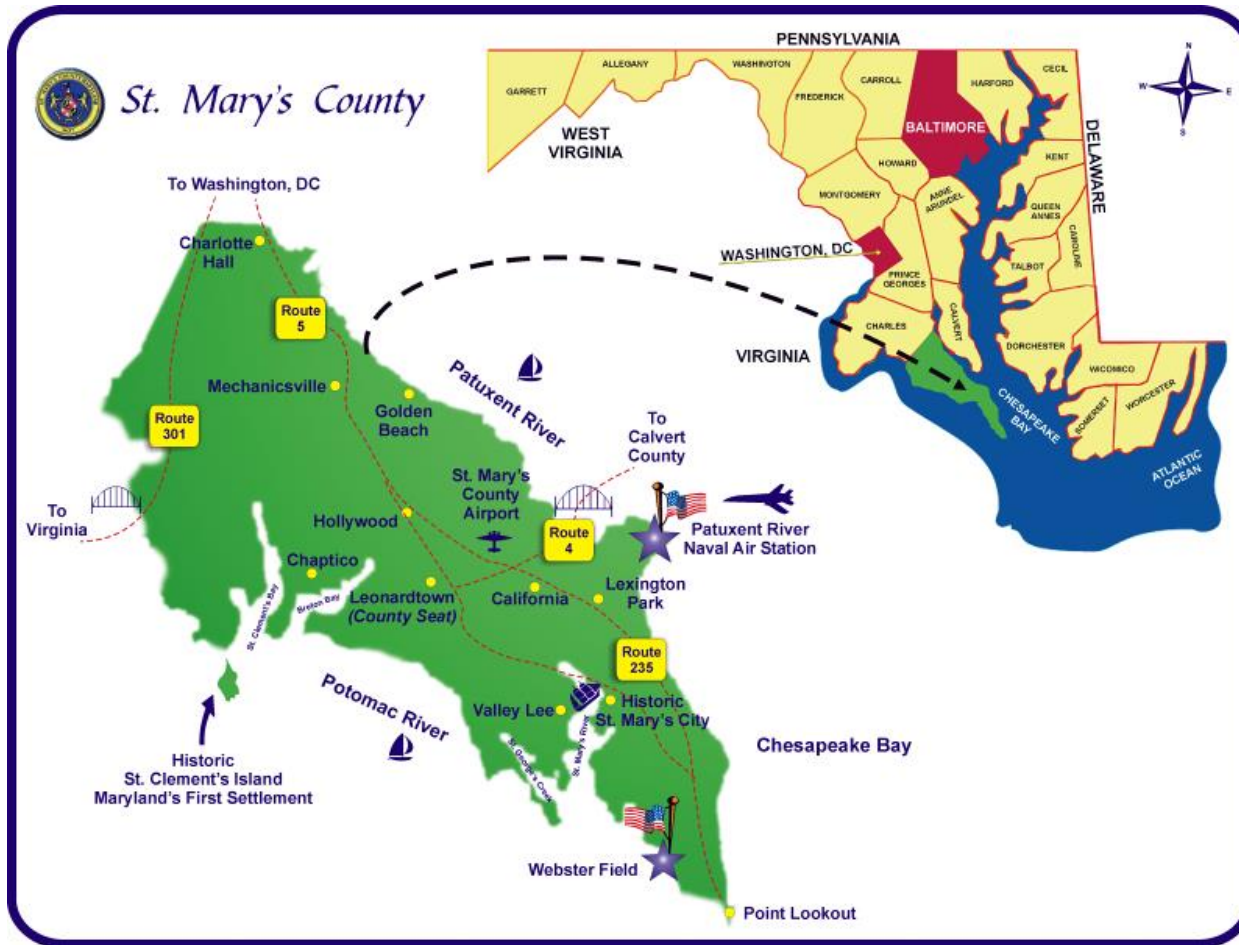
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- Ranked 7th in USA for off-the-radar Tech Hubs
- Home to the Naval Air Station Patuxent River
- 3rd Fastest Growing County in Maryland (2010- 2013)
- Site of the first Colonial Settlement and the first Capital of Maryland

St. Mary's County, Maryland

- Population 109,633
 - Fastest growing county in MD 2000-2012 (population increase of 3.6%)
 - Youngest population in MD (by county, median age 36.7)
 - Highest concentration of military veterans (18.2%)
- Reasons:
 - Exurban migration from DC/Baltimore metro regions
 - Jobs, primarily at Naval Air Station Patuxent River
- Outcomes:
 - Fastest growing workforce in state
 - 3rd Highest median household income growth rate in state
 - 6th lowest unemployment rate in state (2013)

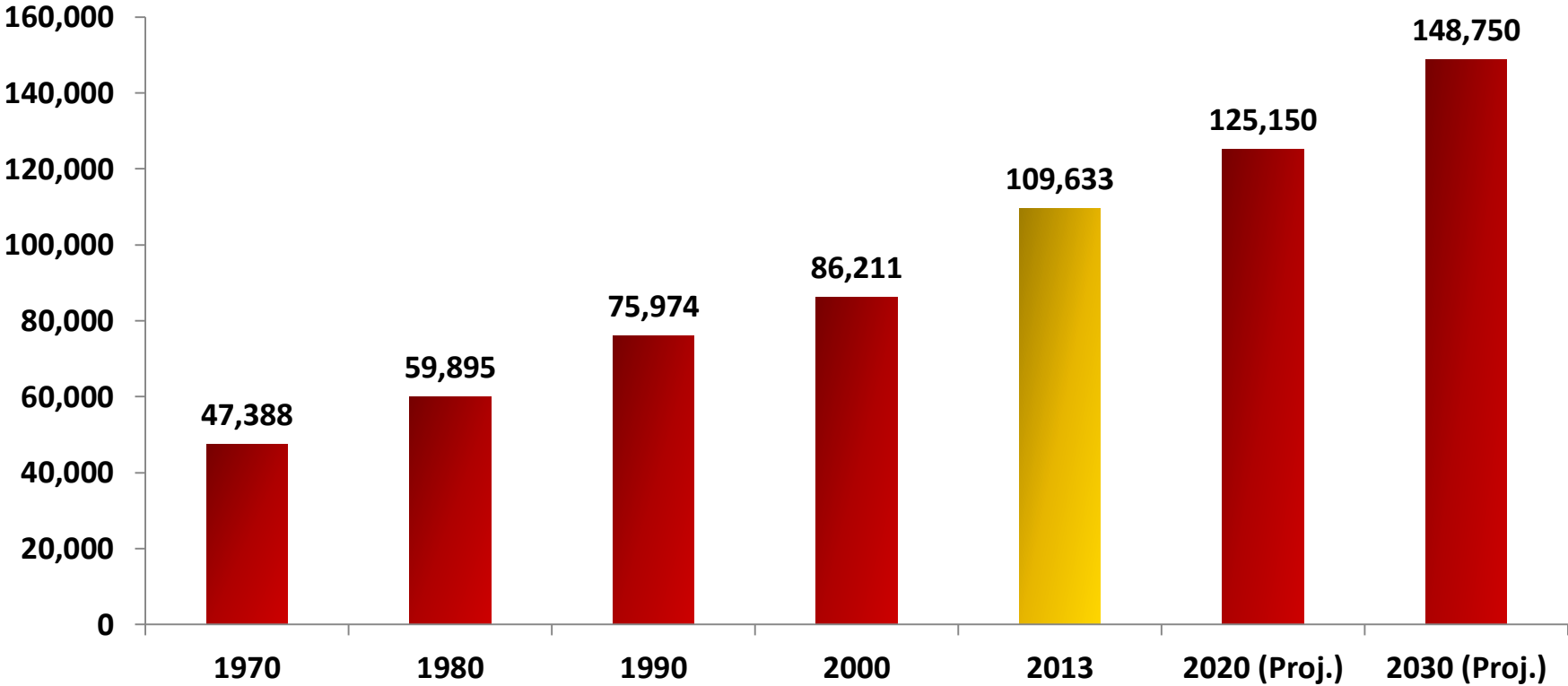
Location



Situated on a peninsula in Southern Maryland with over 500 miles of shoreline on the Patuxent River, Potomac River and the Chesapeake Bay.

The County is 38 miles Southeast of Washington D.C. and 90 miles South of Baltimore.

Population Growth in St. Mary's County



Population growth has been steady for several decades.

Source: U.S. Census Bureau. Projections 2020 and 2030 are from Maryland Department of Planning, Planning Data Services.



Population by Zip Codes in St. Mary's County

Mailing Area	Population
Abell	431
Avenue	1,120
Bushwood	607
California	10,503
Callaway	1,443
Chaptico	1,373
Charlotte Hall	4,900
Clements	1,282
Coltons Point	373
Dameron	594
Drayden	348
Great Mills	5,927
Hollywood	9,937

Mailing area	Population
Leonardtwn	13,717
Lexington Park	24,481
Mechanicsville	23,498
Morganza	97
Park Hall	494
Patuxent River	1,014
Piney Point	830
Ridge	1,119
St. Inigoes	1,125
St. Mary's City	1,332
Scotland	313
Tall Timbers	740
Valley Lee	1,051

Source: U.S. Census Bureau, 2010.



Population Characteristics

in St. Mary's County

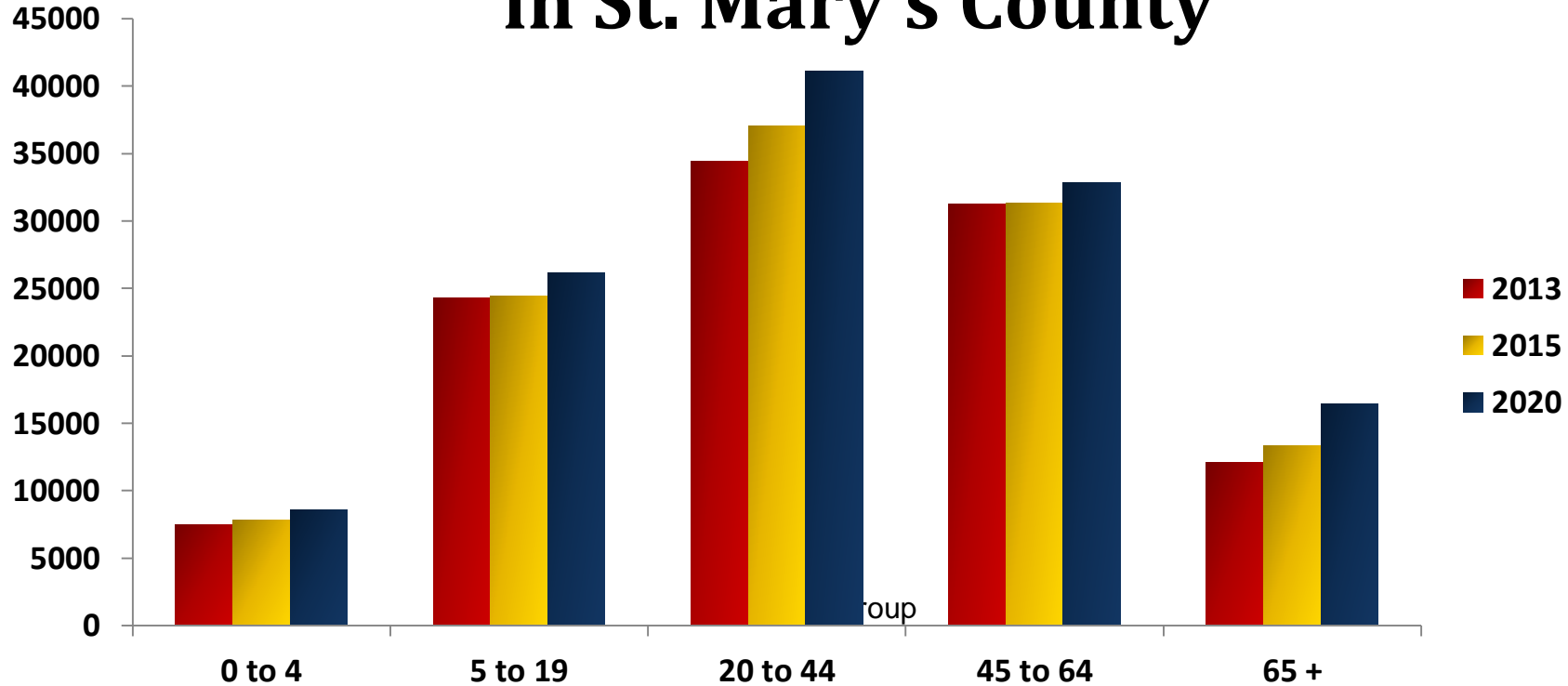
Gender	Estimate	Percent
Total Population	109,633	
Male	55,688	50.8
Females	53,945	49.2

Age	Estimate	Percent
Total Population	109,633	
Median Age	36.7	
Under 5 Yrs	7,502	6.8
18 yrs +	82,107	74.9
65 yrs +	12,103	11.0
85 yrs +	1,634	1.5

Race	Estimate	Percent
Total Population	109,633	
White	85,665	78.1
Black	16,660	15.2
Hispanic	4,940	4.5
Asian	3,137	2.9
American Indian/Alaska Native	542	0.5
Native Hawaiian/Pacific Islander	84	0.1
One race	107,154	97.7
Two or more races	2,479	2.3

Source: U.S. Census Bureau, 2013

Projected Age Distribution in St. Mary's County



Year	0 to 4	5 to 19	20 to 44	45 to 64	65 +	Total
2013	7,502	24,295	34,446	31,287	12,103	109,633
2015	7,800	24,400	37,060	31,340	13,310	113,900
2020	8,550	26,140	41,140	32,870	16,460	125,150

Source: Maryland Department of Planning, U.S. Census Bureau. Totals may not add due to rounding.

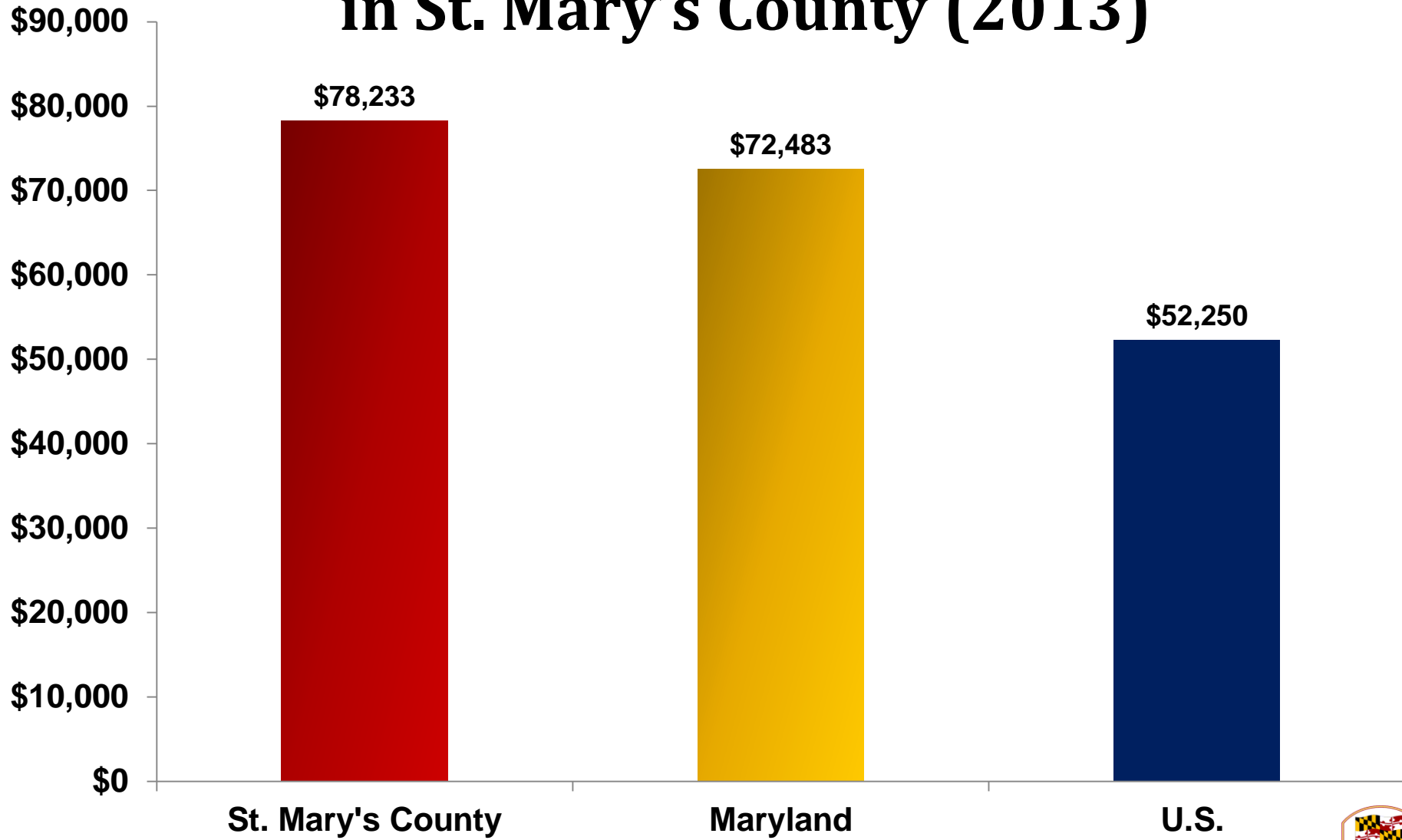
Educational Attainment in St. Mary's County

Social Characteristics	Estimate	Percent
Population 25 yrs and Over	70,537	
High School Graduate or Higher	(X)	89.6
Bachelors Degree or Higher	(X)	29.5
Graduate or Professional Degree	(X)	10.7

(X) - The value is not available.

Source: U.S. Census Bureau, 2013 American Community Survey.

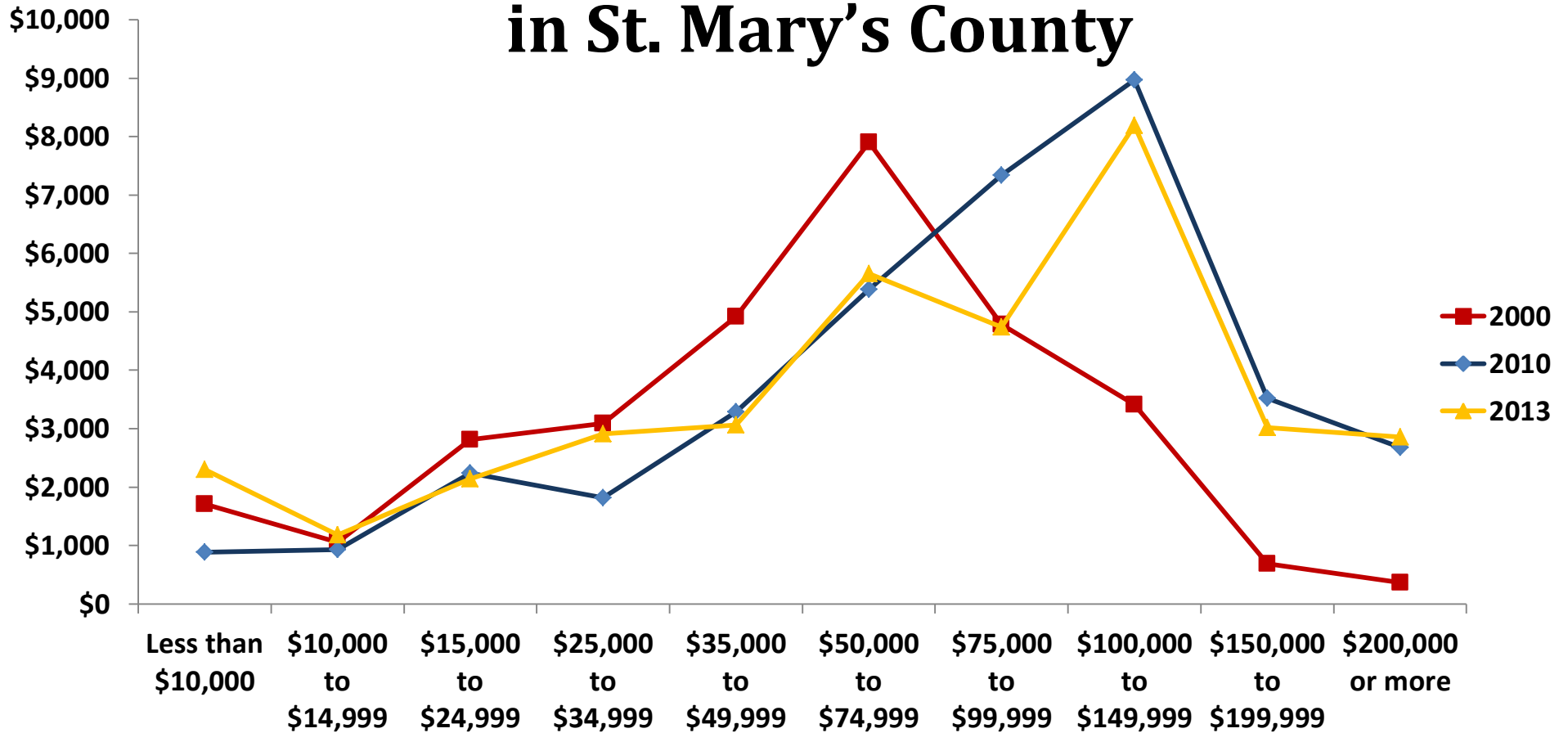
Median Household Income in St. Mary's County (2013)



Source: U.S. Census Bureau, 2013.



Household Income Distribution in St. Mary's County



Household income growth has been concentrated at the higher income levels.

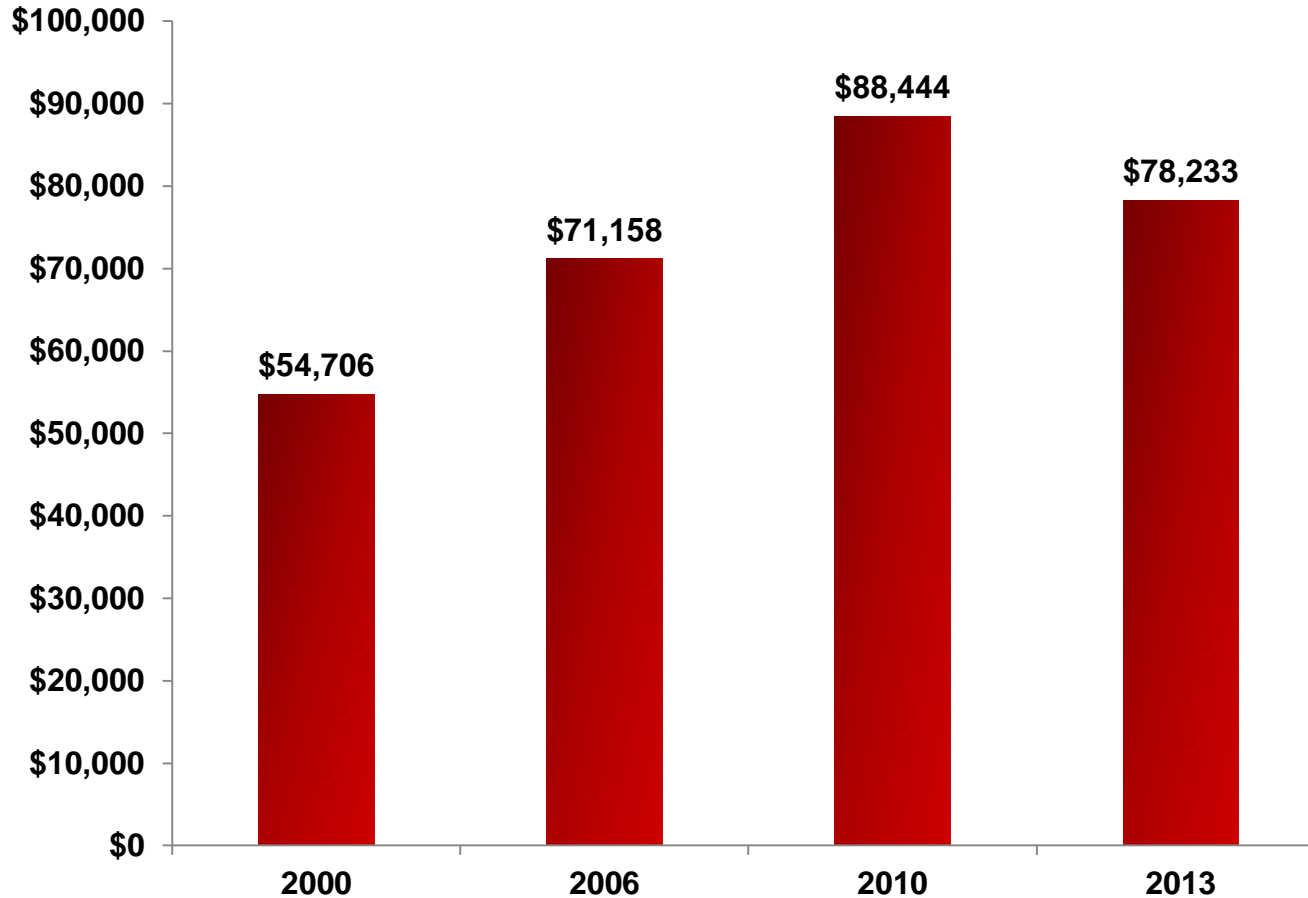
Source: U.S. Census Bureau

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Median Household Income Growth in St. Mary's County

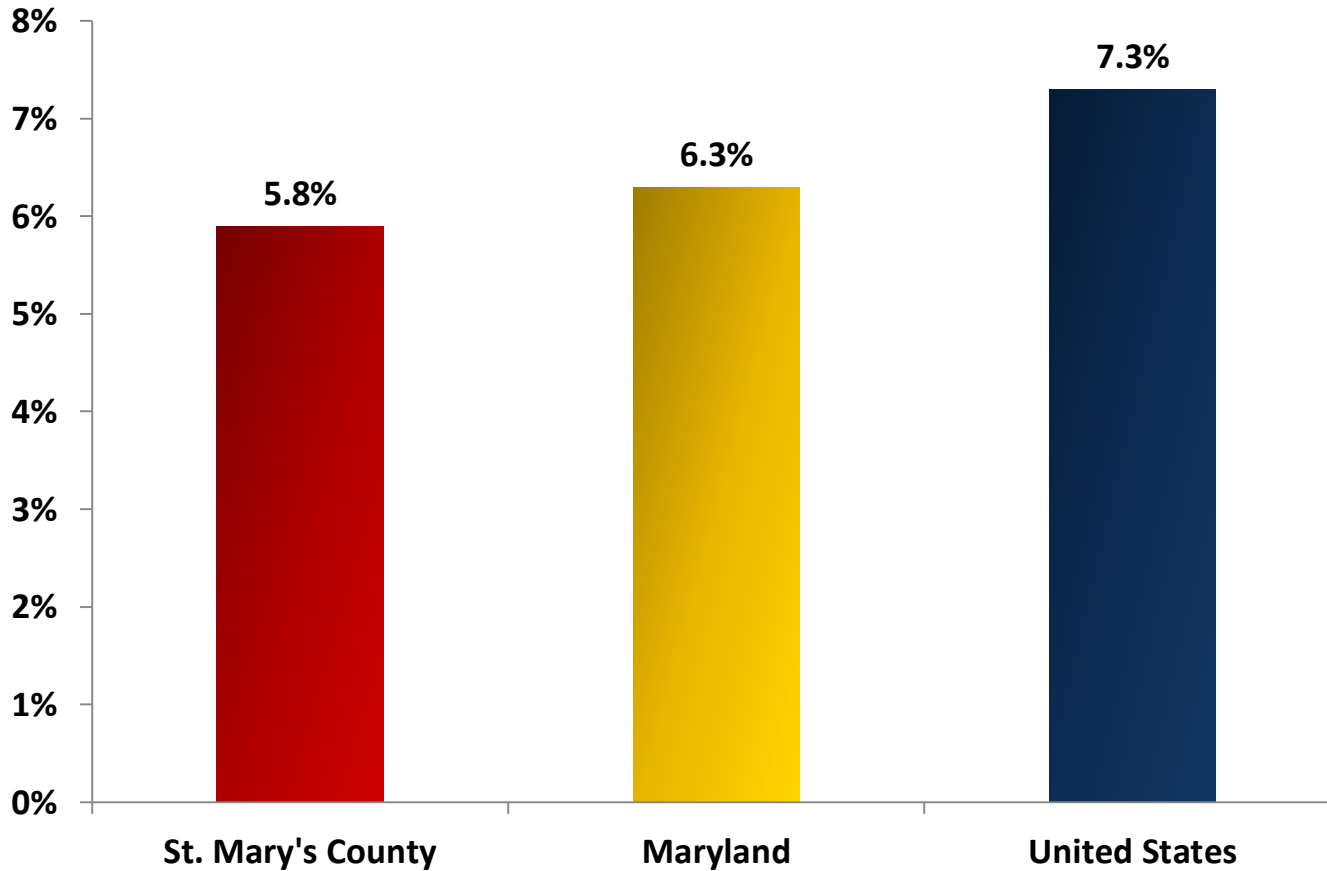


Median household income growth is 43% (2000 - 2013), 5th highest in Maryland.

Source: U.S. Census Bureau, Maryland Department of Planning.

Unemployment Rate

2013 Annual Average



St. Mary's County unemployment rate ranks 6th lowest in the state.

Source: Maryland Department of Labor, License and Regulation\Bureau of Labor Statistics.

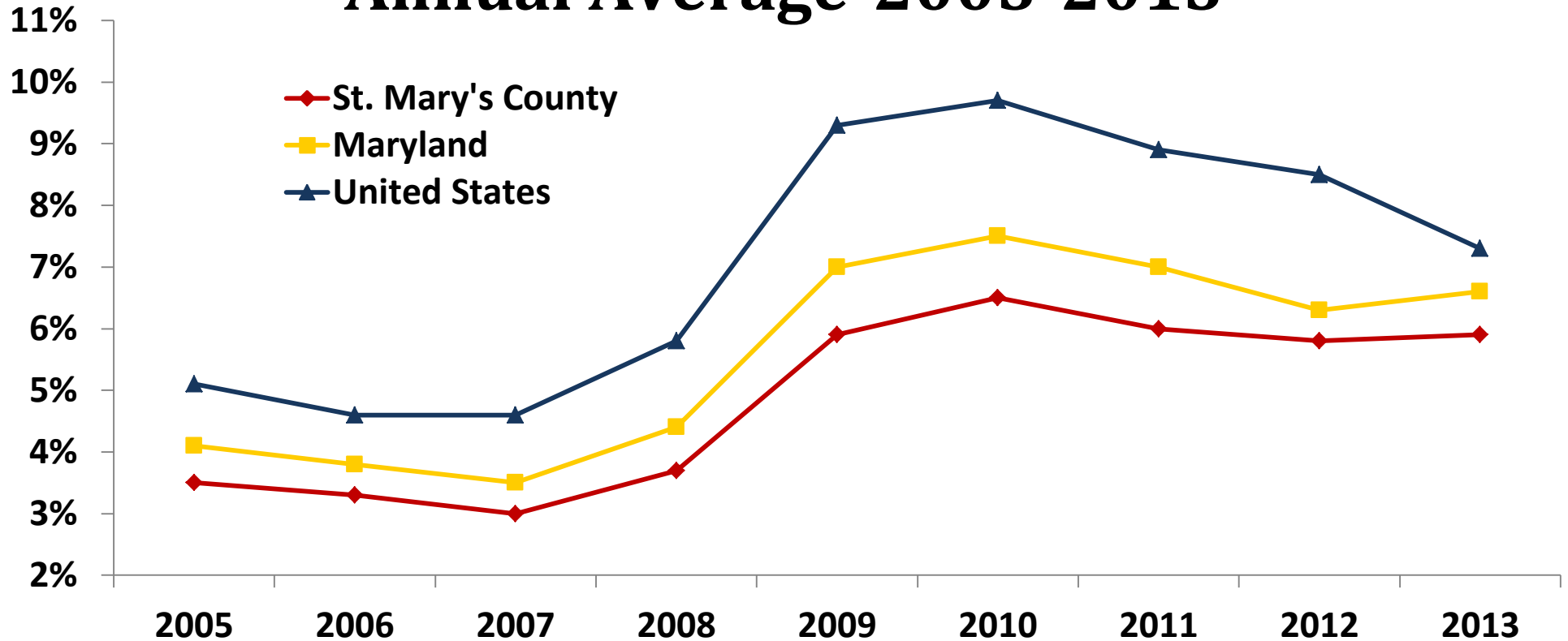
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Unemployment Rate History

Annual Average 2005-2013



The unemployment rate in St. Mary's County has been under the statewide and U.S. rate for the past several years.

Source: Maryland Department of Labor, License and Regulation /U.S. Bureau of Labor Statistics.

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Labor Force Participation in Southern Maryland

2005	Total Population 16+	In Labor Force	% in Labor Force
Calvert County	64,680	45,500	70.3
Charles County	101,970	72,590	71.2
St. Mary's County	73,730	51,160	69.4
2013	Total Population 16+	In Labor Force	% in Labor Force
Calvert County	71,731	50,935	71.0
Charles County	119,228	83,713	70.2
St. Mary's County	85,616	57,308	66.9
2020 (projected)	Total Population 16+	In Labor Force	% in Labor Force
Calvert County	77,270	52,240	67.6
Charles County	136,570	94,290	69.0
St. Mary's County	98,360	66,710	67.8

Source: Maryland Department of Planning and US Census.

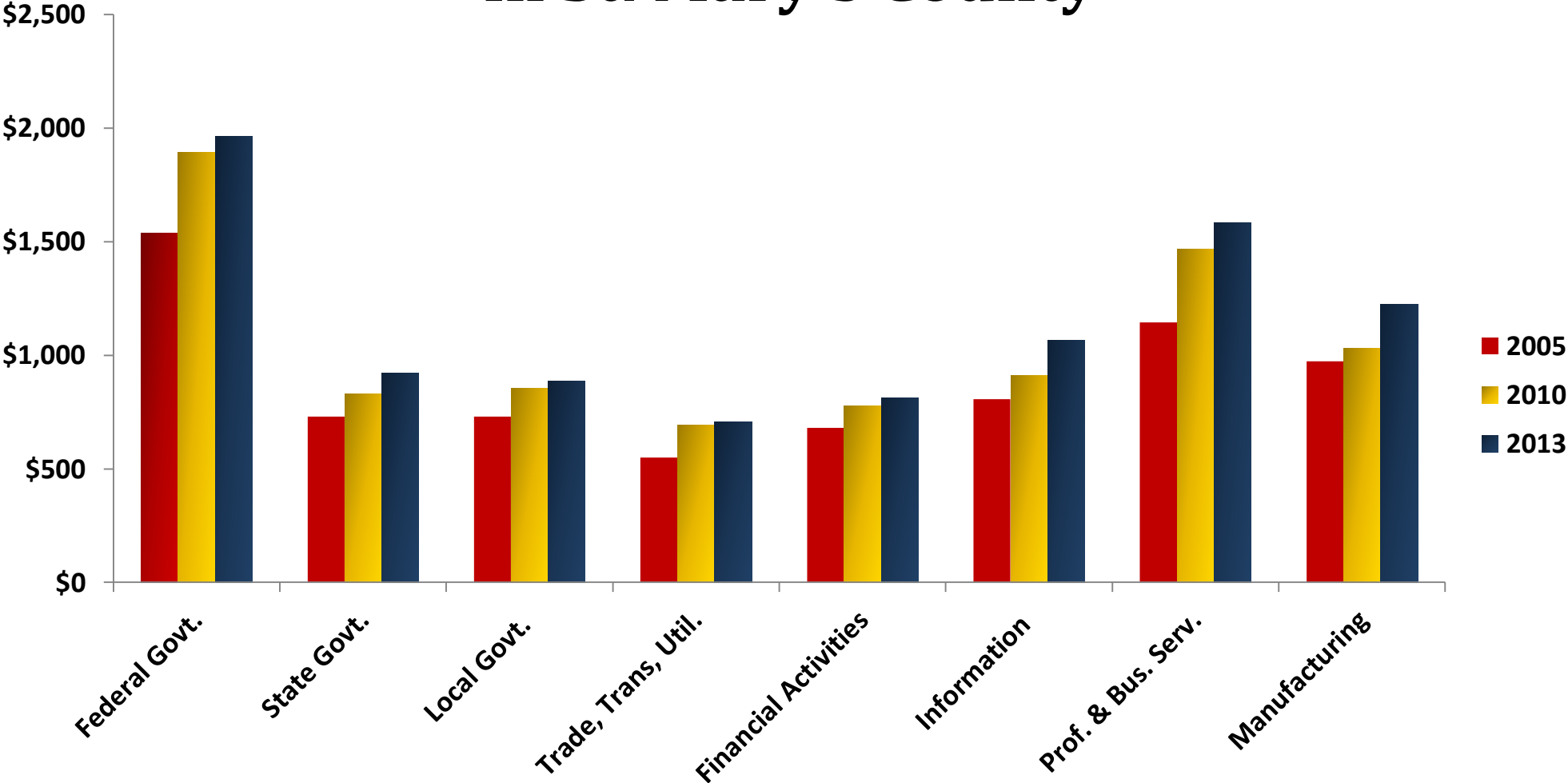
Average Weekly Wages in Southern Maryland

Location	2005	2013	% Change
St. Mary's County	\$885	\$1,194	34.9
Charles County	665	792	19.1
Calvert County	699	820	17.3
Southern Maryland	750	935	23.8
Maryland	853	1,040	21.9

St. Mary's County has the 2nd highest average weekly wages in Maryland.

Source: Maryland Department of Labor, License and Regulation April 2014.

Average Weekly Wages By Industry in St. Mary's County



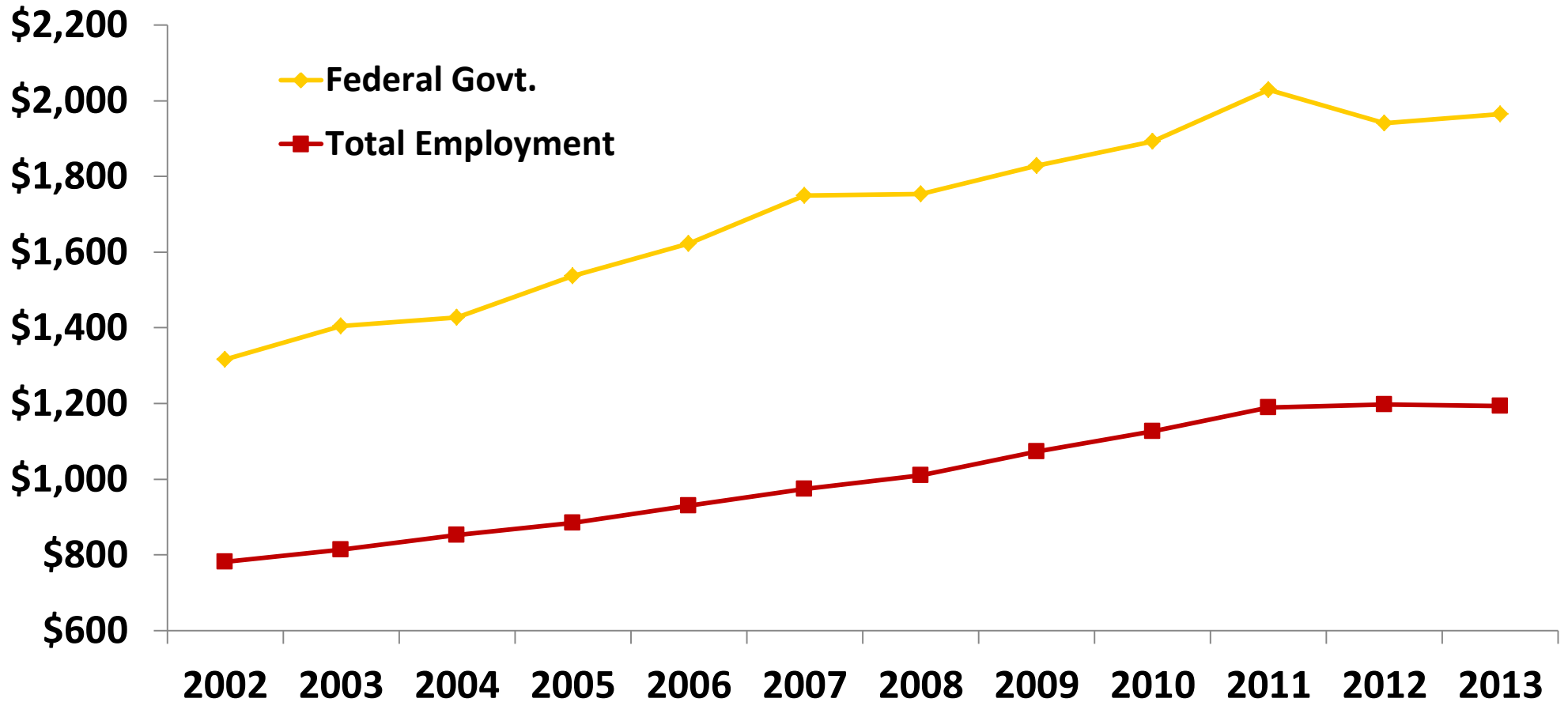
Source: Maryland Department of Labor, License and Regulation.

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Average Weekly Wage Growth in St. Mary's County



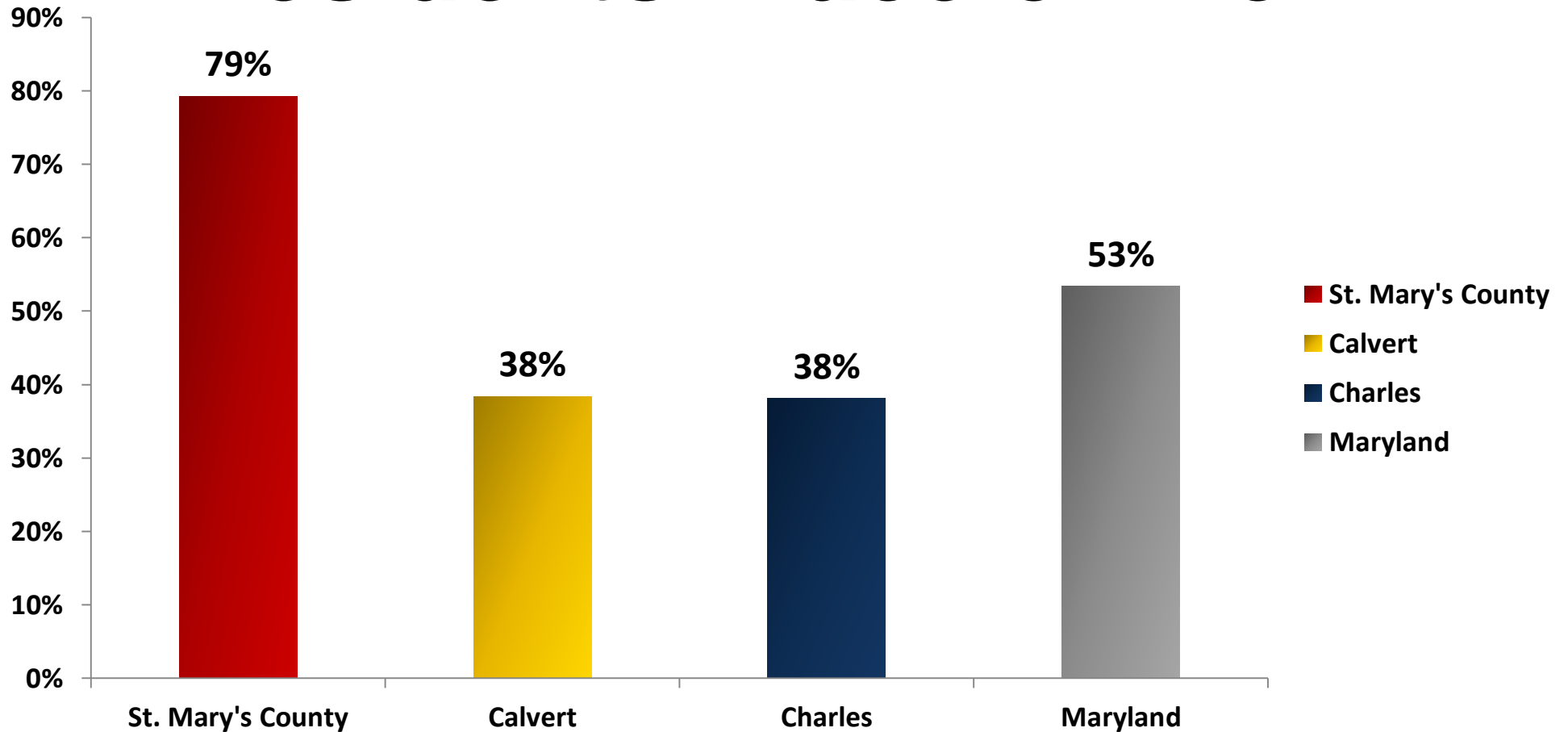
Source: Maryland Department of Labor, License and Regulation, April 2014.

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Residents Place of Work



Nearly 80% of St. Mary's County's 57,308 workers are employed within the county.

Source: U.S. Census Bureau, 2013 American Community Survey.

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Daily Traffic Volume

St. Mary's County

2013

Note: A PDF file of this map is available at www.marylandroads.com/Traffic_Volume_Maps/stmarys.pdf

Source: Maryland State Highway Administration, April 2013.

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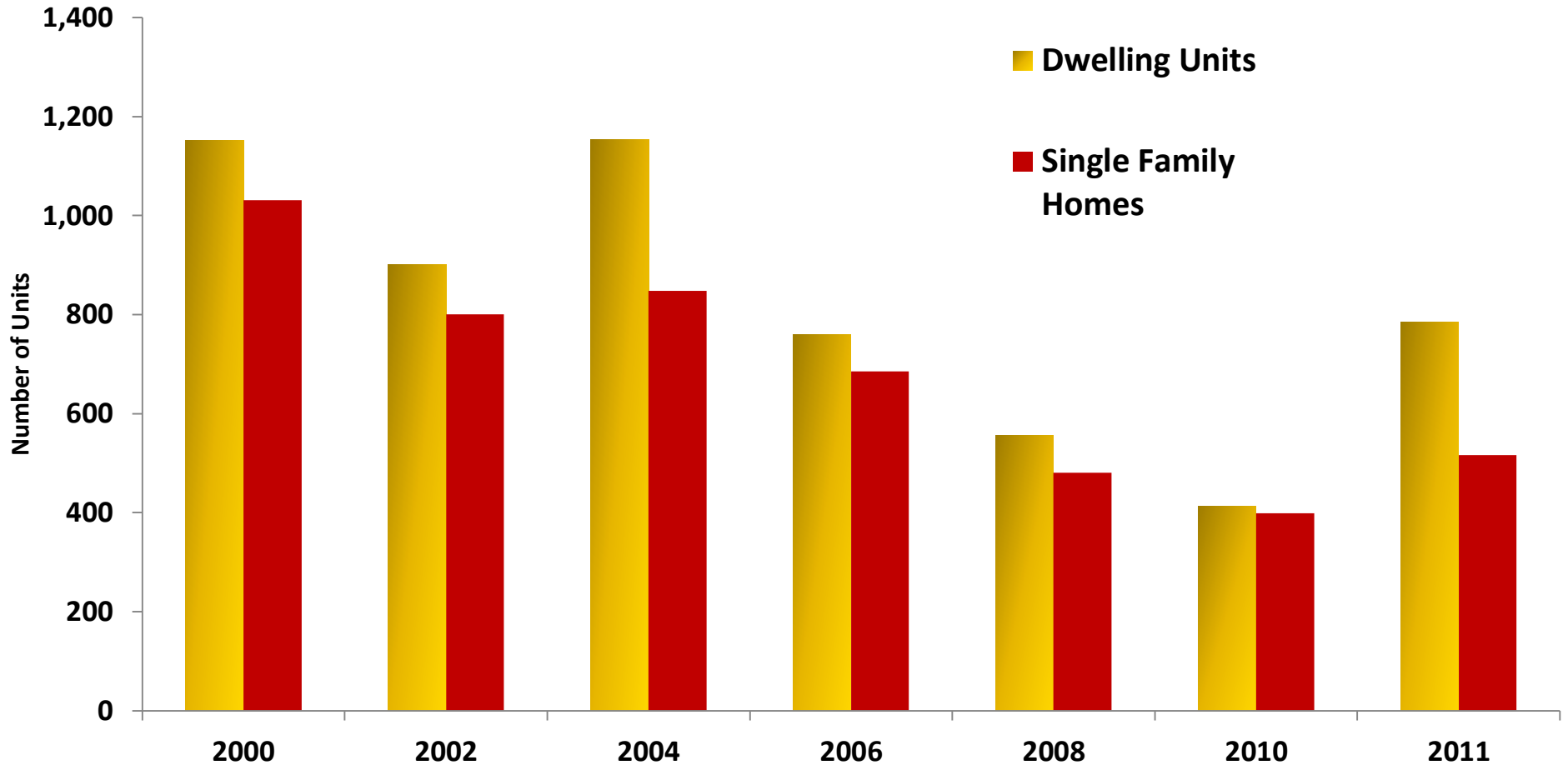


Commuting Patterns in Southern Maryland (2011)

		TO			
		Calvert County	Charles County	St. Mary's County	Other
FROM	Calvert County	9,067	1,545	3,474	23,475
	Charles County	1,135	29,560	2,643	47,455
	St. Mary's County	2,000	3,775	37,045	12,130
	Other	5,193	13,054	8,013	

Source: Maryland Department of Planning, 2006 - 2008.

New Housing Units Authorized For Construction



Source: Maryland Department of Planning.

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Housing Price Trends

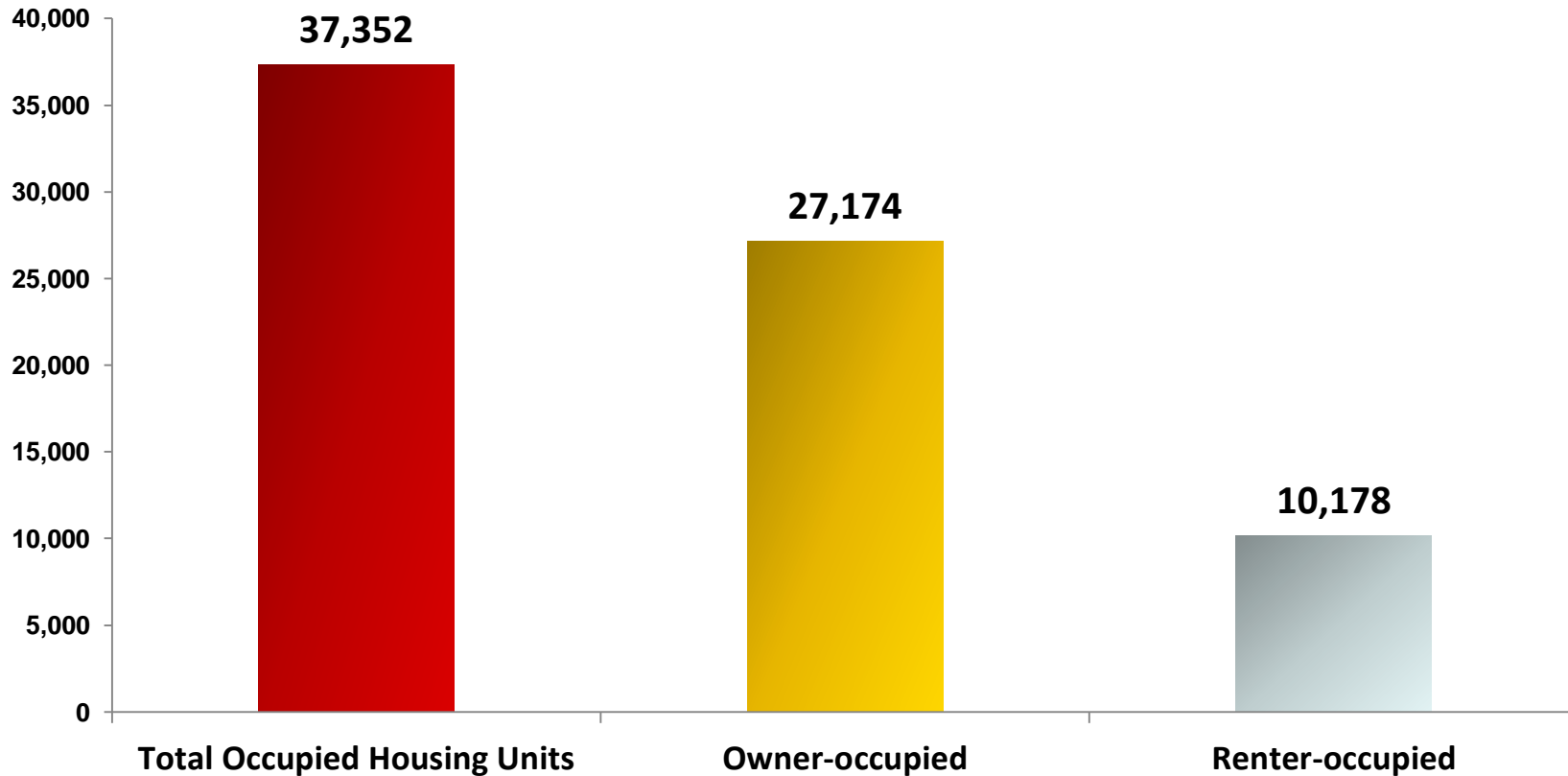
in St. Mary's County

2013 Year End	Median Household Sold Price	Total Units Sold
St. Mary's County	\$270,000	1,127

2013 Year End	2013	2012	% Change
Average Sold Price:	\$281,719	\$289,829	-2.8%
Median Sold Price:	\$270,000	\$275,000	-1.82%
Total Units Sold:	1,127	961	17.27%
Average Days on Market:	104	116	-10.34%
Average List Price for Solds:	\$287,307	\$296,5381	-3.11%
Avg Sales Price to Original List Price Ratio	94.6%	94.3%	0.35%

Source: Southern Maryland Association of Realtors, retrieved April 2014.

St. Mary's County Home Ownership (2012)



St. Mary's County had 41,444 total housing units in 2012.

Source: Census Bureau, 2012

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Employment Categories

Sector	Employment
Defense Contractors	10,039
Civil Service	8,582
Military	2,829
Public Schools	2,200
County Government	629
State Government	810

Public sector jobs, primarily defense-related jobs, dominate county employment, with defense contractors forming the largest private sector category.

Source: St. Mary's County Department of Economic & Community Development, FY 2011 data, retrieved March 2012.

Major Employers

Firm	Employment
Naval Air Station Patuxent River*	11,232
MedStar St. Mary's Hospital	1,201
DynCorp International	1,019
BAE Systems	850
Wyle	705
Lockheed Martin	540
Engility	500
Boeing	450
HMR of Maryland/Charlotte Hall	438
SAIC	431

Firm	Employment
Booz Allen Hamilton	412
St. Mary's College of MD	407
PAE Applied Technologies	400
Northrop Grumman	368
General Dynamics	352
Walmart	350
J.F. Taylor	340
CACI	325
Food Lion	284
McKay's Foodland	275

Excludes post offices, state and local governments; includes higher education

*Federal and military facilities excludes contractors.

Source: Maryland Department of Business and Economic Development, February 2014.

Aerospace & Defense Industry

Home to Naval Air Station (NAS) Patuxent River and over 200 high-tech defense contractors, St. Mary's County has emerged as a world-class center for maritime aviation, research, development, testing and evaluation.



Source: St. Mary's County Department of Economic & Community Development.

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NAS Patuxent River in St. Mary's County

- Located in St. Mary's County on the Chesapeake Bay near the mouth of the Patuxent River.
- Headquarters of **Naval Air Systems Command (NAVAIR)** as well as **Naval Air Warfare Center Aircraft Division (NAWCAD)**, Naval Research Laboratory, Flight Support Detachment Air Test and Evaluation, and the **Webster Field Annex** at St. Inigoes.
- Home to U.S. Naval Test Pilot School and VC-6 Unmanned Aerial Vehicle Detachment.
- World-class facilities, labs, and workforce which provide a full spectrum of Research, Development, Acquisition, Test & Evaluation (RDAT&E), engineering, and fleet support center for air platforms.



Businesses interested in working with NAVAIR should visit the NAVAIR website, <http://www.navair.navy.mil> and click on "Business Opportunities."

NAS Patuxent River

Current and Future Programs



Photo illustration courtesy Northrop Grumman/Released

Current Programs

- F-35 Lightning II Joint Strike Fighter (JSF)
- E-2D Advanced Hawkeye
- F/A-18 & EA-18G
- MV-22B Osprey
- P-8A Poseidon
- AV-8B Harrier II
- EA-6B Prowler
- E-6B Mercury
- T-6 A/B Texan II
- T-34C Turbomentor
- T-44 Pegasus
- T-39 Saberliner
- TH-57 Sea Ranger
- T-45A/C Goshawk
- AIM-9 Sidewinder
- AIM-120 AMRAAM
- AIM-7 Sparrow
- E-2D Advanced Hawkeye
- E-2C Hawkeye
- C-2A Greyhound

Unmanned Air Systems

- MQ-4C Triton (formerly known as BAMS UAS)
- MQ-8B Fire Scout
- X-47B Unmanned Combat Air System (Unmanned Combat Aerial Vehicle - Demonstration)
- Joint Precision Approach and Landing System (JPALS)

Tactical Airlift, Adversary & Support Aircraft Program Systems

- C-9B Skytrain II
- UC-12B/F/M Huron
- C-20A/D Gulfstream
- RC/EC/C-26D
- C-37A Gulfstream V, C-37B Gulfstream 550
- C-40A Clipper
- C/KC-130T Hercules, KC-130J Super Hercules
- F-5N Adversary
- F-16A Fighting Falcon
- UC-35C Huron

Presidential Helicopters

- VH-60N
- VH-3D

H-53 Helicopters

- CH-53D Sea Stallion
- CH-53E
- CH-53K
- MH-53E

H-60 Helicopters

- HH-60H
- MH-60R
- MH-60S
- SH-60B
- SH-60F

Air Anti-Submarine Warfare Systems

- Sonobuoys
- Multi-Static Active Coherent (MAC)
- High Altitude Anti-Submarine Warfare (HAASW)
- Airborne ASW Intelligence (AAI)

Aircraft Launch and Recovery Equipment (ALRE)

- Launching Systems
- Recovery Systems
- Information Systems
- Visual Landing Aids (VLA)
- Expeditionary Airfields (EAF)

Common Support Systems (Program Management, or AIR 1.0)

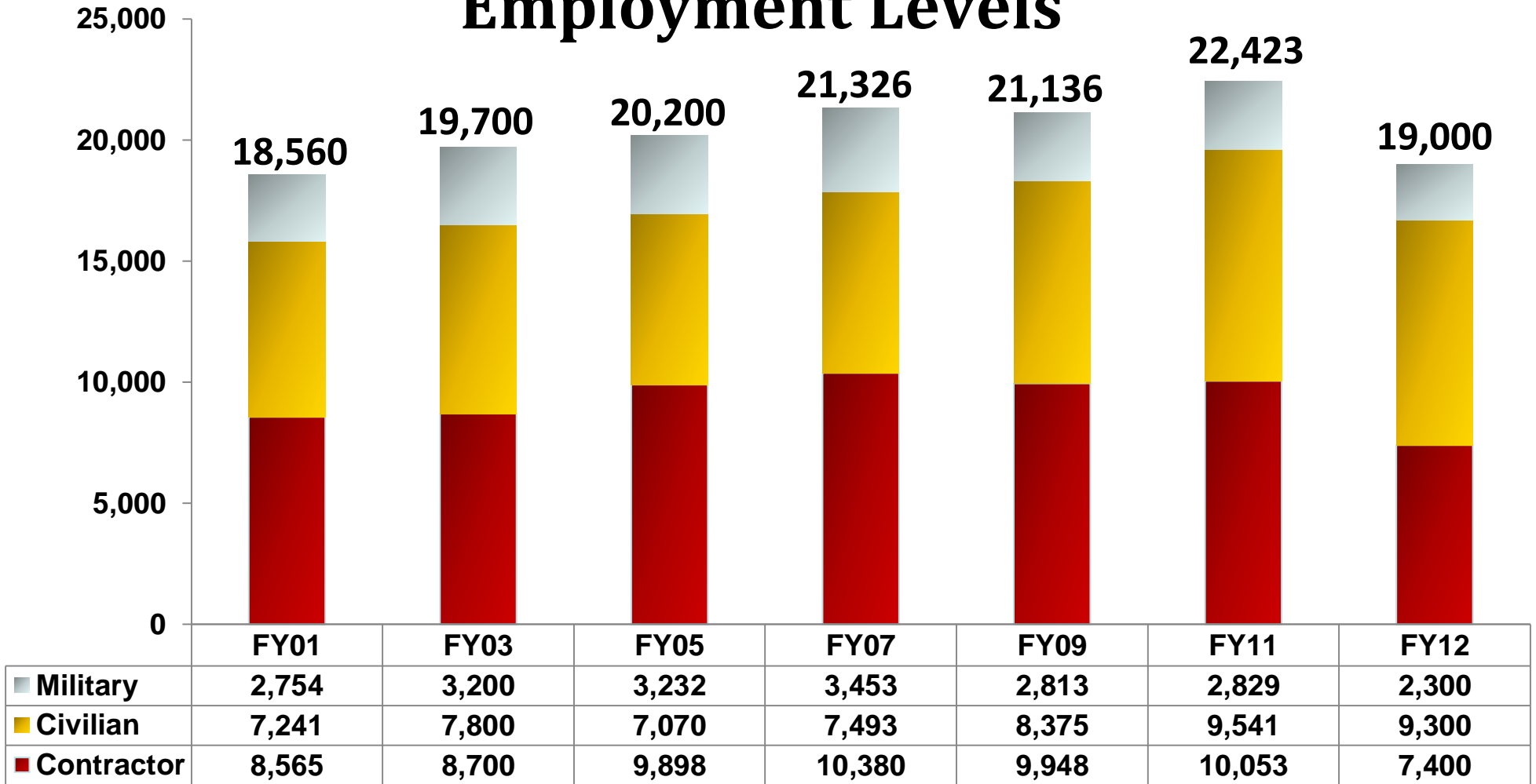
- Joint helmet mounted cueing system/Night Vision Cueing and Display
- Navy Common Ejection Seat
- Naval Aviation Training Systems
- Tactical Combat Training System
- Undersea Warfare Training Range
- Ground Proximity Warning System
- Terrain Awareness Warning System
- Military Flight Operations Quality Assurance
- Electronic Consolidated Automated Support System (eCASS)

Future Programs

- Next Generation Jammer
- Electromagnetic Aircraft Launch System (EMALS)
- Advanced Arresting Gear (AAG)

NAS Patuxent River

Employment Levels



Source: Naval Air Station Patuxent River, February 2014.

Defense Economy Opportunities

New Fighter Aircraft Lands in St. Mary's County

- Three of DoD's newest fighter aircraft, the F-35 Lightning II (Joint Strike Fighter) recently arrived at NAS Patuxent River for flight test & evaluation. **8 of the 14 F-35 Lightning II test aircraft to be tested at NAS Patuxent River.**
- Two P-8A Poseidon Multimission Maritime Aircraft (MMA).
- Two X-47B Unmanned Combat Air Systems (UCAS-D) carrier-based aircraft, one arrived in 2011, the other is soon to follow.
- The preparation for programs to arrive in the next few years include the CH-53K Super Stallion Heavy-Lift Helicopter.



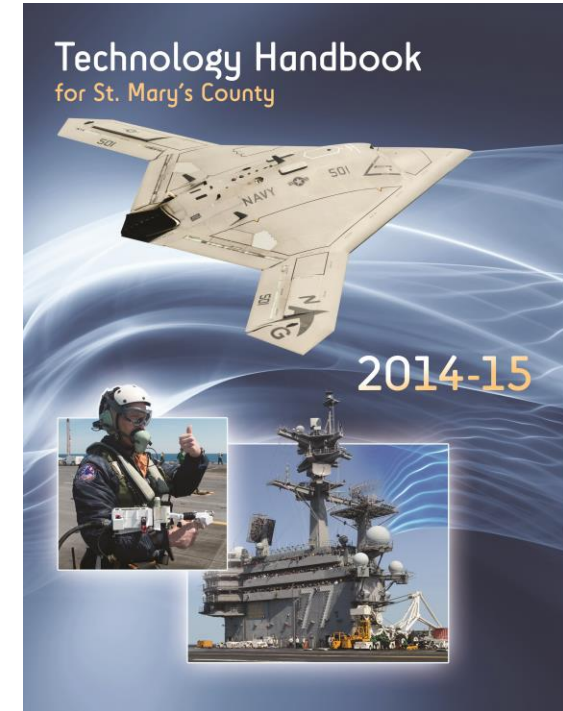
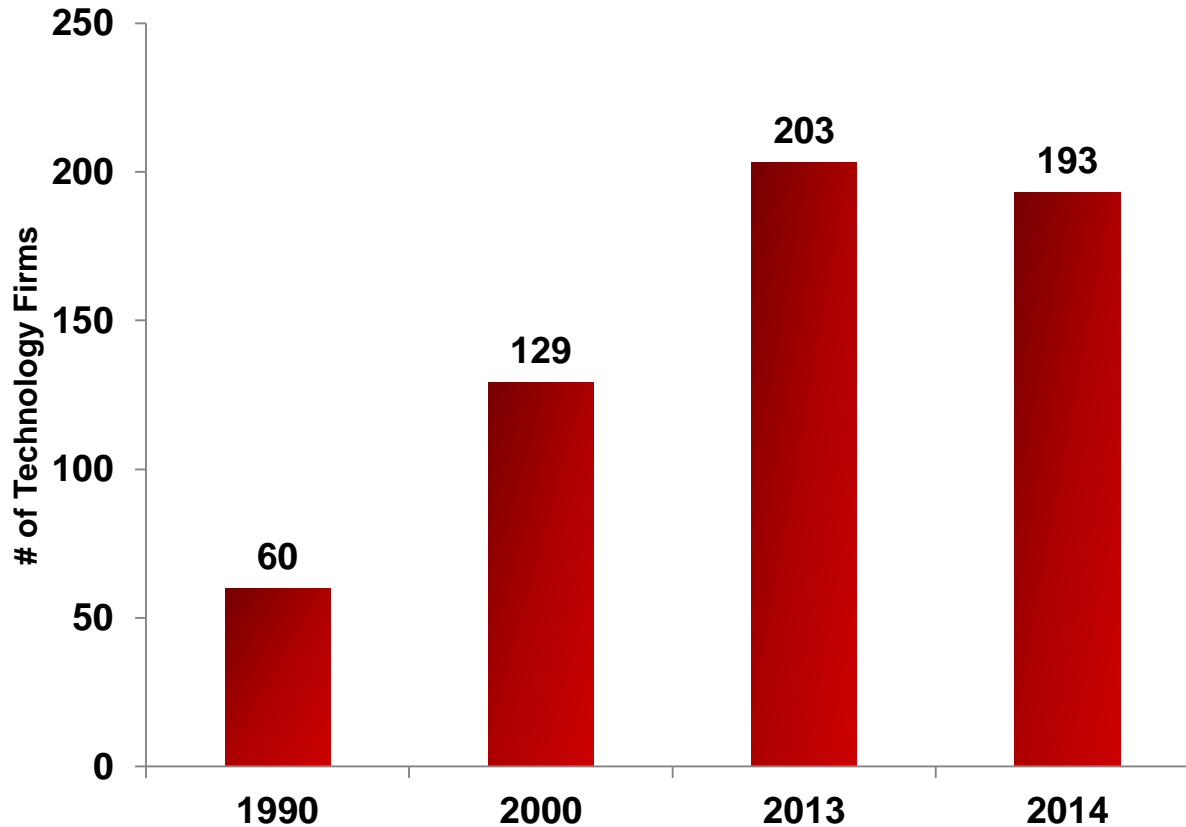
F-35 Lightning II JSF



CH-53K Heavy-Lift
Helicopter

Source: NAS Patuxent River, January 2010

Technology Growth



Although the major influx of new activity at the Naval Air Station Patuxent River occurred in the late 1990s, growth in the number and diversity of technology firms continues.

Source: St. Mary's County Department of Economic & Community Development.

Broadband (High Speed Internet) Accessibility



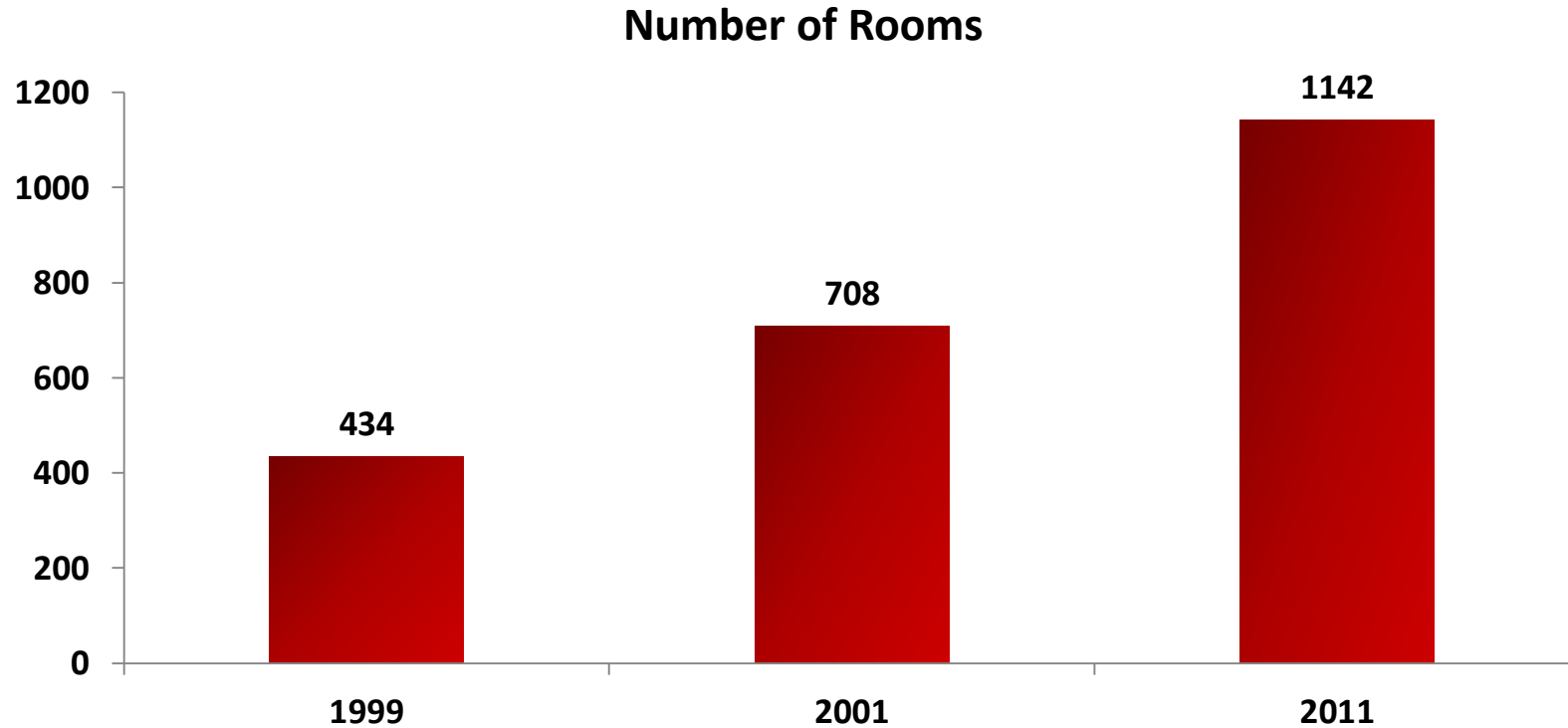
- Cable modem offered by MetroCast throughout most of the County. Newer cable franchise agreement to increase coverage and capabilities through the rest of the County. Comcast services the Charlotte Hall and Golden Beach areas.
- DSL Internet Service offered by Verizon, service capabilities expanding constantly.
- Wireless internet offered in select locations.
- Tri-County Broadband Improvement Initiative.

Manufacturing Industry

- Manufacturing is a small but growing component of the County economy.
- BAE Systems, Wyle, CACI, Smartronix, Inc., Triton Metals, Sailing Specialties, Inc., Ship Point Machine Company, Inc., and others produce innovative products for military, transportation, law enforcement, communications, and custom plastics.



Hotel Development

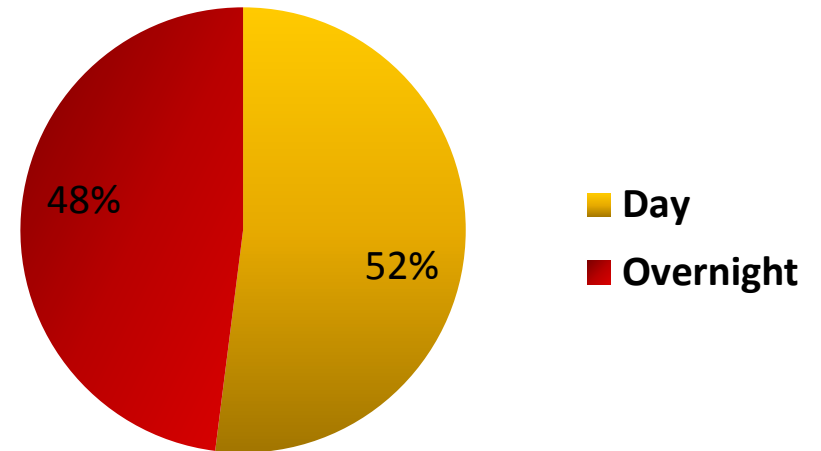


The number of rooms have steadily increased and with new projects will continue to climb.

Source: St. Mary's County Department of Economic & Community Development, March 2012.

St. Mary's County, Visitors

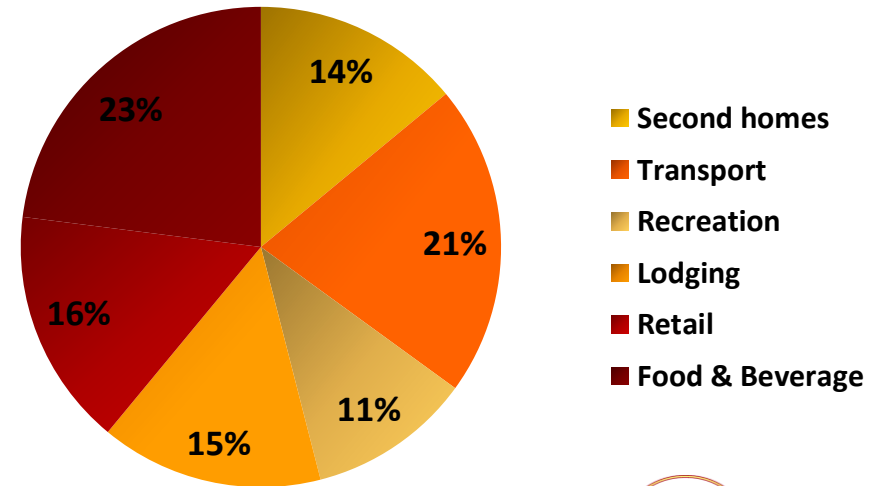
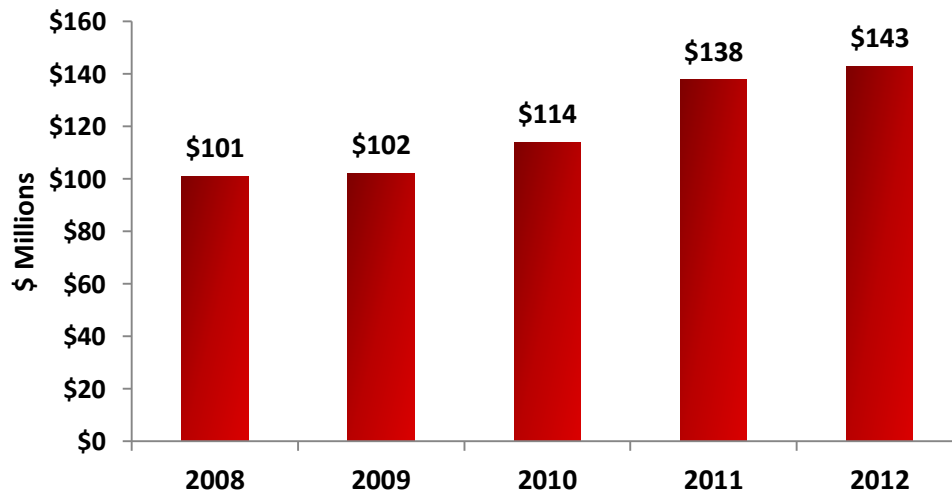
St. Mary's County - Visitors (thousands)				
	Overnight	Day	Total	Growth Rate
2012	314.1	332.6	646.7	3.3%
2011	302.5	323.7	626.2	6.9%
2010	276.1	307.6	583.7	11.1%
2009	241	284.4	525.4	5.6%
2008	241.7	255.9	497.6	1.6%
2007	239.6	250	489.6	-8.1%
2006	265.1	267.9	533	



St. Mary's County, Tourism Industry Sales

St. Mary's County Tourism Industry Sales (millions)								
	Lodging	Food & Beverage	Retail	Recreation	Transport	Second Homes	Total	Growth Rate
2012	\$21.9	\$32.1	\$23.1	\$15.4	\$30.6	\$19.9	\$143.0	3.8%
2011	\$21.3	\$30.2	\$22.2	\$14.9	\$29.4	\$19.8	\$137.8	0.6%
2010	\$14.7	\$24.8	\$18.0	\$11.3	\$22.0	\$23.1	\$114.0	11.3%
2009	\$11.2	\$22.0	\$16.4	\$10.8	\$19.7	\$22.3	\$102.4	0.9%
2008	\$9.6	\$20.3	\$17.1	\$10.3	\$20.8	\$23.4	\$101.5	

Tourism Industry Sales



Tourism Impact

St. Mary's County

Tourism Employment

Year	Direct	Total (Dir, Ind, Induced)	Share of State (Total)
2012	1,308	2,245	1.09%
2011	1,226	2,126	1.06%
2010	1,135	1,964	1.00%
2009	1,158	2,036	1.04%
2008	1,192	2,113	1.04%

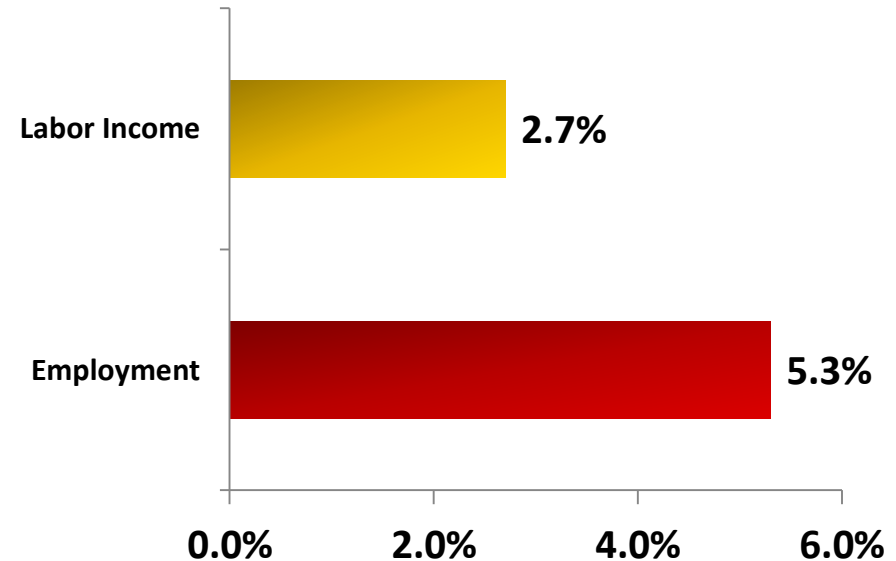
Tourism Labor Income (millions)

Year	Direct	Total (Dir, Ind, Induced)	Share of State (Total)
2012	\$31.7	\$70.0	0.88%
2011	\$29.6	\$66.1	0.86%
2010	\$25.6	\$60.0	0.81%
2009	\$26.2	\$60.8	0.83%
2008	\$25.3	\$59.9	0.80%

Total Tourism Tax Receipts (millions)

Year	Federal	State & Local	Hotel	Total
2012	\$15.2	\$19.9	\$0.86	\$35.1
2011	\$14.4	\$19.3	\$0.81	\$33.7
2010	\$12.9	\$16.9	\$0.79	\$29.8
2009	\$12.7	\$15.4	\$0.73	\$28.1
2008	\$12.7	\$14.8	\$0.63	\$27.5

Tourism Share of St. Mary's County Economy



Tourism Sales (millions)

Year	Tourism Industry	Tourism Economy
2012	\$143.0	\$153.9
2011	\$137.8	\$147.8
2010	\$114.0	\$125.0
2009	\$102.4	\$110.2
2008	\$101.5	\$111.1

St. Mary's County Land Preservation

To date, over 19,320 acres of farmland have been permanently preserved in St. Mary's County through Maryland Agricultural Land Preservation Foundation, Rural Legacy, Maryland Historical Trust, Maryland Environmental Trust and the county's Transferable Development Rights Programs.

Commercial Market

- **Commercial Office Space** - Average cost of \$22.15/sq.ft.
- **Utilities** - Electric service provided by Southern Maryland Electric Cooperative. Natural Gas is available from Washington Gas. St. Mary's Metropolitan Commission (MetCom) serves the greater Lexington Park – Hollywood area and Piney Point with water and sewer.

Tax Rates

	St. Mary's County	Maryland
<p>Corporate Income Tax (2012)</p> <p>Base – Federal taxable income.</p>	None	8.25%
<p>Personal Income Tax (2012)</p> <p>Base – Federal adjusted gross income. *Graduated rate peaking at 5.5% on taxable income over \$500,000.</p>	3.00%	2.0%-5.5%*
<p>Sales and Use Tax (2012)</p> <p>Exempt – sales for resale; manufacturer's purchase of raw materials; manufacturing machinery and equipment; purchases of materials and equipment used in R&D and testing of finished products; purchases of computer programs for reproduction or incorporation into another computer program for resale.</p>	none	6.0%
<p>Real Property Tax (FY 12)</p> <p>Effective rate per \$100 of assessed value. In addition to this rate, there are some miscellaneous taxes and/or special taxing areas in the county. In an incorporated area, a municipal rate will also apply.</p>	\$0.857	\$0.112
<p>Business Personal Property Tax (FY 12)</p> <p>Rate per \$100 of depreciated value. Exempt – manufacturing and R&D machinery, equipment, materials and supplies; manufacturing, R&D, and warehousing inventory. In an incorporated area, a municipal rate will also apply.</p>	\$2.143	none

Source: Maryland State Department of Assessments and Taxation; Comptroller of the Treasury.

Economic Recap

- Steady population growth
- Strong job growth
- Rising incomes
- Defense economy strong
- Supportive public investment
- Diversification initiatives underway

Source: St. Mary's County Department of Economic & Community Development.

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Key Contacts

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- Phillip Shire, Director, Land Use & Growth Management
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Source Links

- U.S. Census Bureau, www.census.gov
- Bureau of Labor Statistics, U.S. Department of Commerce, www.bls.gov
- Maryland Department of Business & Economic Development, www.choosemaryland.org
- Maryland Department of Labor, Licensing & Regulations, www.dllr.state.md.us
- Maryland Department of Planning, www.mdp.state.md.us
- St. Mary's County Department of Economic & Community Development, www.stmarysmd.com/decd
- St. Mary's County Department of Land Use & Growth Management, www.stmarysmd.com/lugm