Comprehensive Economic Development Strategy

Delaware Economic Development Office

Right Place. Right Size.
September 1, 2015

Background

On July 15, 2015, Governor Jack Markell signed SB112 (https://legiscan.com/DE/text/SB112/2015) requiring that the Delaware Economic Development Office develop a comprehensive state plan for economic development every five years. In addition, DEDO must submit annual reports detailing the Office’s status in meeting its vision, goals, objectives, and strategies. The first annual report required by SB112 shall be submitted on or before September 1, 2015. Annual reports for the years 2015 to 2019 shall be based on the Office’s most recent Comprehensive Economic Development Strategy (CEDS). As a result of the SB112 requirement being implemented mid-year, this report covers the period from January 1, 2015 to June 30, 2015 (FY15). The FY16 annual report will cover the period from July 1, 2015 through June 30, 2016.

The annual report that follows is based on the CEDS report that was finalized and posted on the Delaware Economic Development website in December 2014. The document can be found here: http://inde.delaware.gov/dedo_pdf/NewsEvents_pdf/publications/CEDS_FinalRevised12-20-2014.pdf

The CEDS provides Delaware the opportunity to review the economy, evaluate where probabilities for growth exist and combine them into a focused, proactive strategy. It is intended to support the state’s efforts to grow its economic base and to position itself for future sustainable private sector growth in both jobs and income. Additionally, updating the CEDS is a required step in maintaining eligibility to obtain federal assistance for key projects that will enhance the growth of commerce and industry in the State.

Due to the fact that the CEDS was recently submitted, the economic outlook as provided in the December 2014 document remains relatively unchanged; therefore, adjustments have not been made to the strategy.

Although the CEDS has only been in place for eight months, Delaware businesses are already benefitting from some of the projects goals identified in the CEDS. With an enhanced focus on relationship-building and collaboration among state agencies and governments, DEDO continues to improve and streamline its processes. This collaborative effort has led to expansions and job growth at companies throughout the state. In order to keep these businesses competitive, DEDO analyzes and updates its customized training courses to reflect the current needs of Delaware’s businesses. Our state’s skilled workforce is one of the reasons Delaware regularly is considered as companies explore locations for expansion.

When in search of a location, time is often critical. DEDO has simplified the site selection process by adding Geographic Information System technology to its website. Today, Delaware’s real estate community can market vacant buildings and properties internationally simply by utilizing this vital resource.

This report highlights DEDO’s progress as it continues to work to goals, objectives, actions and activities set forth in the CEDS.
Strategy 1: Enhance Business Resources: Create initiatives that focus on providing the critical educational, legal and infrastructure resources necessary to attract and retain growing, sustainable businesses and the workers they require.

Goal I. Increase economic development collaboration among public and private partners.
This goal encourages private sector engagement and updates. It clarifies and aligns the responsibilities of DEDO and local economic developers. This goal promotes interagency collaboration for comprehensive economic development.

Progress:
DEDO regularly collaborates with other state agencies, local entities, universities/colleges, and the private sector on economic development initiatives. This goal also recommends that the state explore the creation of an economic development advisory committee to advise DEDO on issues impacting business within the state. DEDO is in the initial phase of this exploration.

DEDO engages representatives of core business sectors when planning educational events such as conferences, summits and training. These representatives advise DEDO on issues impacting entrepreneurs, and small and existing businesses. Information gathered in these planning sessions is used to create event agendas to address the business issues identified. For example a planning meeting was held in July 2015 in preparation for the October Governor’s Entrepreneurial and Small Business Conference. Input gathered from this meeting was instrumental in preparing relevant panel discussions and securing, impactful presenters.

In January 2015, DEDO unveiled its new website containing a GIS Planning tool to provide site selectors/location advisors the ability to search for available sites and properties across the state. A link to GIS Planning can be added to county and local economic development group websites. [http://dedo.delaware.gov/Business-Climate/Sites-and-Buildings](http://dedo.delaware.gov/Business-Climate/Sites-and-Buildings)

Goal II. Upgrade the workforce of Delaware through enhanced education and training driven by and focused on the needs of Delaware’s core business sectors.
This goal fosters increased collaboration among the state’s business community and education system for more aligned workforce development strategies.

Progress:
In fall 2015, the state will launch the Pathways to Prosperity initiative to establish partnerships with Delaware employers, universities, and school districts to prepare students for a bright future in high-demand fields and careers. Students will take hundreds of hours of specialized instruction and hands-on training. They have the opportunity to graduate with industry-recognized certificates and with college credits for courses that are most relevant to those industries, giving them a head start on getting a job and earning a degree.

The state will first launch pathways statewide in information technology and computer science in partnership with code.org, as well as in the culinary arts and hospitality industries in partnership with the Delaware Restaurant Association. The following year, the Department of Education will expand the network to include two more of the state’s fastest growing industries – financial services and healthcare. This initiative gives students the opportunity to graduate with industry-recognized certificates and with college credits for courses that are most relevant to those industries, giving them a head start on getting a job and earning a degree. [http://news.delaware.gov/2015/02/12/governor-launches-pathways-to-prosperity-initiative-for-delaware-students/](http://news.delaware.gov/2015/02/12/governor-launches-pathways-to-prosperity-initiative-for-delaware-students/)
A similar employer-education partnership formed in 2014, Delaware’s Accelerated Career Paths program, continues to be successful. With partnership from Del Tech and the Delaware Manufacturing Association, the initiative developed a two-year, comprehensive program in manufacturing technologies for Delaware high school juniors and seniors. The program – which results in nationally recognized advanced manufacturing certificates, in addition to a high school diploma and even some college credits – allows students to attend classes at their home school part of the week, while spending the remainder at the community college getting hands-on training. Students attend classes in their homes schools and receive training on manufacturing equipment at Del Tech so they can get the hands-on training necessary to land that first job. 


DEDO continues to keep Delaware businesses and industries competitive by assisting with funding for customized training for the workforce. The Blue Collar Grant Program matching training grant fund is designed for Delaware’s companies; whether they are relocating, existing and/or expanding their business they may qualify for occupational skills upgrade training for their workforce. DEDO recently updated its internal policy to meet the needs of growing industry sectors. The new policy allows employers with reimbursable unemployment insurance status to apply for Blue Collar Training Grants. Additionally, nonprofits are eligible if they are creating new jobs and/or experiencing technological changes in the way they conduct business. Eligible industries include: healthcare and life sciences (pharmaceuticals, biotechnology, medical devices). Requirements include: job creation, demonstration of a direct industry need, shortages of skilled trained workforce (critical skill gap in a particular industry and/or high demand occupations) and new technology requiring upgraded training.

In partnership with the Department of Education, DEDO provides grants to help unemployed, qualified individuals with training costs to learn a new skill or upgrade a current skill through the Governor’s Education Grant for Unemployed Workers. Additionally, working adult students who meet the enrollment, employment, and income eligibility requirements may be eligible for a financial grant through the Governor’s Workforce Grant for Working Adults. Every school year, DEDO meets with the educational institutions that participate in these programs to ensure that curriculum and course offerings are updated to reflect the current needs of Delaware’s businesses and workforce.

In November 2014, Delaware launched the Success Pathways and Road to Careers (SPARC) initiative, designed to help students, youth and adults connect with local employers, gain first-hand knowledge of the workplace and develop career and college readiness skills. The goal of SPARC is to help bridge the gap between the career aspirations of students and adults in Delaware by providing a free platform for career guidance/discovery that helps them connect with professionals in their career(s) of interest to provide real life perspectives of the world of work. SPARC, a public-private partnership, is a collaborative workforce development initiative co-led by the Delaware Business Roundtable Education Committee, Delaware Department of Education, United Way of Delaware and the Junior Achievement of Delaware. 

http://sparcdelaware.org/

The Delaware Department of Labor continues its work on designing and developing Career Lattices to enable jobseekers to make informed career decisions and prepare for the job they seek. This goal provides a web-based, interactive career planning map, housed in Delaware
JobLink (DJL) https://joblink.delaware.gov. The site provides job progression opportunities within growth industries or across sectors based on knowledge, skills and abilities; informs jobseekers about training, education, and developmental experiences that enables them to accomplish career objectives; and helps jobseekers identify opportunities, short and long term employment goals and encourage a path of lifelong learning and career development. The program has focused on IT, Welding, Certified Nursing Assistants, and a Gateway Lattice heavily weighted in favor of retail and customer service.

Through a joint partnership with Polytech Adult Education, the Delaware Workforce Investment Board, and Scientific Management Techniques (SMT) and DEDO, a Delaware Manufacturing Development Center (DMDC) was created. Announced in late December 2014, this innovative program will address the manufacturing skills shortage impacting local industrial performance by offering training solutions in the adult division at the Polytech campus in Woodside; as well as, onsite with area manufacturing facilities. http://www.prweb.com/releases/2014/12/prweb12403725.htm

In April 2015, DEDO brought an IT training school before the Council on Development Finance to request a grant to help off-set costs associated with training students for employment opportunities in New Castle County. The school is designed to train non-technical individuals to fill computer coding jobs. The approval of this grant assists in filling a need for trained programmers in the state. http://files.osmek.com/15888

Goal III. Preserve critical state assets supporting economic development while enhancing the state’s quality of life.
This goal encompasses actions of collaboration with private sector developers and state agencies to provide attractive location options for businesses. Reviewing and analyzing incentives, infrastructure and transportation, innovation zones, import/export issues are key in attracting and retaining businesses and residents.

Progress:
The Office of State Planning Coordination’s Preliminary Land Use Service committee and local municipalities have processes in place to explore the development of additional facilities and infrastructure.

DEDO continues to offer incentives and promote the tax incentives offered through the Division of Revenue and the Delaware Banking Commission. DEDO is constantly exploring new and innovative tax incentives for consideration by Delaware Legislature.

In January 2015, Governor Markell and the Delaware State Housing Authority launched the Downtown Development Districts (DDD) Grant Program. Investors who make qualified real property investments in a Downtown Development District will be entitled to receive grants of up to 20% of the cost of their investments. DDD Grants are designed to spur investment and redevelopment in Downtown Development Districts, and are only available in DDDs. The DDD Grant program is modeled in part after a Virginia program that has been very successful in leveraging significant amounts of private investment in under-served areas. The DDD Grant program is administered at the State level by the Delaware State Housing Authority. DDD grants are available for a broad range of projects – including residential, mixed-use, commercial, and industrial projects within the boundaries of a DDD. http://destatehousing.com/Developers/dv_ddd.php
DEDO works with the University of Delaware’s Science Technology and Advanced Research Campus (STAR). The STAR Campus is a 272-acre property currently being developed as a space that combines business, research, education and more. A former auto assembly plant, STAR Campus is currently home to UD’s Health Sciences Complex, a California-based fuel cell manufacturing center and UD’s eV2g project and an IT company founded by two University of Delaware graduates. STAR is located in a community that includes mixed-use facilities and mixed-income housing. Future development will establish it as a center of innovation, focused on leading research in areas such as health science, cyber security and alternative energy. Through partnerships with private businesses and government agencies, UD will provide educational and professional opportunities for students while igniting job and economic growth within the state. Additionally, with some assistance from DEDO, STAR will soon open 10,000 square foot in wet lab spaces designed to meet the needs of start-up and early stage firms doing basic research and development primarily in the health science field.  
http://www.udel.edu/star/

With some assistance from DEDO, Kent and Sussex County innovators will be supported by Delaware State University’s Optical Science Center for Applied Research (OSCAR) state-of-the-art facility. OSCAR provides laboratories, offices, meeting space, and space dedicated to serve as hubs of innovation for collaboration with industry. The shared laboratories provide advanced technology testing and instrumentation to support a myriad of research needs. The OSCAR Building provides for the full spectrum of research needs including wet chemistry, nanochemistry, conventional and confocal microscopy, scanning electronic and atomic force microscopy, as well as a complete image analysis suite.  
http://oscar.desu.edu/about/news.html

DEDO works closely with the Delaware Department of Natural Resources to encourage and assist industries and municipalities through a Brownfield matching grant program. DEDO also serves as an active member of DNREC’s Hazardous Substance Control Act Committee (formerly known as DNREC’s Brownfield Committee).

DEDO offers the Brownfield Assistance Program which encourages redevelopment of environmentally distressed sites within Delaware by helping reduce capital expenditures. Municipalities, developers and businesses that own brownfields are eligible for individual grants of up to $100,000. Additional funds are available from the Department of Natural Resources and Environmental Control. The Brownfield Assistance Program is funded through the Delaware Strategic Fund and offers up to $1 million annually in matching funds to assist with investigation and remediation of brownfield sites.

DEDO is active on committees with the Delaware Department of Transportation such as the Office of State Planning Coordination’s Preliminary Land Use Service committee where DelDOT is a key contributor and DEDO continues to work closely with DelDOT when working on projects that create and/or maintain jobs. In Kent County, DEDO is a member of the Dover/Kent Metropolitan Planning Organization’s Technical Advisory Committee.

In order to expand the port’s opportunities to handle larger and heavier exports and imports, Diamond State Port Corporation is developing a plan to expand the Port of Wilmington either by expanding on the Christina River, where it flows into the Delaware, or to develop new
terminals on sites north and south of the port. DEDO’s Director is one of 15 members of the Diamond State Port Corporation’s board of directors. The Director actively supports the Port’s policy and purpose as set by the General Assembly, including overseeing the continued economic viability of the Port of Wilmington and its related facilities, and improvements to these facilities and to the commerce involving these facilities, benefits the entire State.

Founded in 1947 and based in Washington, DC, the National Business Aviation Association (NBAA) is the leading organization for companies that rely on general aviation aircraft to help make their businesses more efficient, productive and successful. It is the largest business aviation group in the world. The Association represents more than 10,000 Member Companies of all sizes located across the country. NBAA provides more than 100 products and services to the business aviation community, including the NBAA Business Aviation Convention & Exhibition, the world’s largest civil aviation trade show. The Governor and DEDO Director attended NBAA’s 2014 Business Aviation Convention and Exhibition. The Governor spoke to the group’s general assembly to promote business aviation industry in Delaware. He also announced the formation of Delaware Business Aviation Association. The Governor and DEDO Director visited with the Delaware companies exhibiting at the show and met with key industry executives.

Additionally, DEDO regularly partners with the DRBA on projects and employment opportunities including the DRBA/New Castle Airport in RFP/RFI responses, conducting site visits and supporting its marketing efforts, as appropriate.

DEDO, Kent County and DelDOT have focused its collaborative efforts on assuring that parking capacity for the NASCAR aircraft fleet is available over the next three years. A three-year extension of the Letter of Agreement (LOA) between the United States Air Force and DelDOT that establishes policies, responsibilities, and procedures for parking on Dover Air Force Base property for civil aircraft during the two NASCAR race weekends held annually in Dover, has been drafted, circulated for comment and is awaiting final approval by all parties. Coordination between the USAF, DelDOT, DEDO, Kent County and the Delaware River and Bay Authority continues to determine if there is potential to attract a developer to undertake expansion of the CAT. DelDOT has engaged a company to update the feasibility study for the CAT. All parties remain committed to the effort to expand this facility.

DEDO works closely with all railroad service providers as it relates to businesses and jobs including advocating for rail spurs, as appropriate, as well as letters of support and research to support expansion of railroad service.

DEDO works with the Delaware Department of Technology and Information as a member of various joint committees where broadband/wireless infrastructure is identified as a key topic, such as the Office of State Planning Coordination’s Preliminary Land Use Service committee, Delaware State Chamber of Commerce, local chambers, Sussex County Today & Tomorrow, and DTI’s Broadband Grant Review Committee. In May 2015, the state awarded a grant to improve connectivity in Sussex County, helping to address some of the few remaining pockets where Delaware residents and business do not have high-quality service. The project was led by the Department of Technology and Information and funded through DEDO. 

The state continues to benefit from the 2013 Wilmington Carrier Hotel Project. By adding this connectivity hub, Delaware gained a highly efficient, reliable and competitive bandwidth interconnection point to the center of Wilmington’s business district. http://news.delaware.gov/2013/03/08/16-million-ip-network-hub-project-kicks-off-in-wilmington-de/ 

**Strategy 2: Retain the Critical Core:** Programs that focus on the retention and expansion of existing business and industry.

**Goal I. Retain and expand Delaware’s core business sectors.**

Enhance and improve technical and financial approaches in supporting and retaining core business sectors in Delaware in collaboration with state and federal agencies.

**Progress:**

DEDO’s county Business Development Leaders make regular business visits to identify all impediments a business may have. The BDU Leaders actively participate in monthly business meetings with local chamber and a variety of business organizations. Additionally, the Governor and Director conduct regular visits to Delaware businesses within Delaware as well as visits to parent companies outside of the State. Delaware’s Department of State facilitates meetings for the Governor with parent companies.

On a per project basis, DEDO’s Business Development Unit works with all agencies and governments to make each company’s project streamlined. Recent examples include reaching out to DNREC regarding Emission Control Reduction Credits and Brownfield applications and working with Sussex County on the newly-formed Clean Water & Flood Abatement Task Force.

DEDO works with the Office of Management and Budget, the Department of Finance & Banking Commissioner as part of the Budget Review process and in policy review and planning discussions. DEDO serves as an advocate for the business community in these discussions.

Delaware’s Workforce Investment Board provides DEDO guidance regarding the State’s core business sectors. DEDO also works closely with Delaware’s Department of Labor and DEDO’s own Internal Research Department to identify high growth firms. DEDO uses the most recent data to target site visits and outreach from DEDO's Business and Workforce Development units.

DEDO works with the Department of Agriculture as a member of various joint committees where issues related to agriculture sector are identified such as the Office of State Planning Coordination’s Preliminary Land Use Service committee, Delaware State Chamber of Commerce, local chambers, Sussex County Today & Tomorrow, and the University of Delaware as well as Delaware State University. DEDO respects and defers the Department of Agriculture’s lead role in this objective.

DEDO offers the Delaware Rural Irrigation Program (DRIP) Revolving Loan Fund (no-interest loan fund) to qualified Delaware farmers to add new irrigation systems, including center pivot, linear move, towable systems, span angle systems, corner arm systems, single-phase systems, or wells and filters associated with drip irrigation systems. http://inde.delaware.gov/DRIP/
DEDO is part of the Kent County Food Innovation District which continually looks to maximize Delaware’s food and agriculture resources in the state. In fall 2015, the Kent County Food Innovation District will host a networking event at a local raceway where purchasers can network with producers. The raceway uses twenty different local vendors for its food supply.

Last year, DEDO supported HB318 which created an incentive helping to retain and expand Delaware businesses by making funding incentives more compelling, competitive and relevant to Delaware businesses. In July 2014, Governor Markell signed House Bill 318 which doubles the state research and development tax credit for small businesses. This new law targets startups and small companies by directing additional support to businesses with less than $20 million in receipts. These entities would be eligible for a research and development tax credit of up to 100 percent of the corresponding federal credit, while large companies would continue to qualify for up to 50 percent. Previously, every business that conducted research and development in Delaware had calculated its credit in the same manner, whether the firm was a startup or a multinational. HB 318 ensures that small companies receive a larger share. [http://news.delaware.gov/2014/07/15/governors-signature-signals-progress-in-push-to-spur-entrepreneurship-and-innovation/](http://news.delaware.gov/2014/07/15/governors-signature-signals-progress-in-push-to-spur-entrepreneurship-and-innovation/)

DEDO collaborates with its resource partners on a monthly basis at Open for Business events in each county. These events provide entrepreneurs and small businesses the opportunity to obtain valuable business advice from experts across the state. Additionally, both DEDO and the Department of State, have enhanced, business-friendly websites.

DEDO offers the State Small Business Credit Initiative (SSBCI) in which small businesses in Delaware with fewer than 750 employees are eligible to apply. This loan participation program is designed to enhance access to capital and lower interest rates. Loan proceeds can be used for any business expense — including payroll, inventory, machinery and equipment — and to supplement general working capital needs. Other financing tools that DEDO offers include: the Delaware Capital Access Program (private-public match program gives banks a flexible, transparent tool to expand small business lending) and Tax-Exempt Bond Financing where new or expanding businesses, governmental units and certain organizations exempt from federal income taxation can be eligible for statewide financial assistance in the form of tax-exempt bonds through the Delaware Economic Development Office. [http://inde.delaware.gov/SSBCI/](http://inde.delaware.gov/SSBCI/)

In the spring of 2015, DEDO help two “Access to Capital” symposia to educate our participating lending institutions and partners on the benefits of its various financing programs including SSBCI, the Delaware Capital Access Program, Tax Exempt Bond Financing and the Delaware Rural Irrigation Program.

### Goal II. Enhance Delaware as a visitor destination and expand the economic impact of tourism.
This goal seeks to improve public-private partnerships and collaborating with state agencies to market and attract new visitor segments and groups to Delaware.

**Progress:**

DEDO’s tourism unit continually develops new programs focusing on the retention and expansion of the tourism industry. In 2014, the Tourism unit held a successful Fam (familiarization) Tour with over 24 participants, resulting in several bookings of the Fam sites. The unit recently released its new Delaware Tourism website. The site will be seasonally adjusted to highlight seasonal events throughout the state. [http://www.visitdelaware.com/](http://www.visitdelaware.com/)
Social media plays a vital role in Tourism’s marketing efforts. Delaware has an extensive presence on social media sites such as Facebook, Twitter, Pinterest, Food Spotting, Instagram, Periscope and many more:

- **Facebook:** The DTO Facebook page currently has 32,129 likes.
- **Twitter:** The DTO Twitter account has 14,594 followers.
- **YouTube:** The DTO YouTube account has had 86,789 total upload views.
- **Pinterest:** There are 1,524 followers for the DTO account and 32,808 followers for all individual pin boards.
- **Instagram:** We have 1,254 followers

In an effort to enhance the “visitor experience” DEDO’s Tourism unit meets with other state agencies to highlight infrastructure needs from a visitor’s perspective including: the need for adequate restrooms, signage and facilities. Additionally, Tourism sponsors and participates in many of the Convention and Visitor’s Bureau events such the Delaware Beer and Wine Festival, Amish Country Bike Tour, Old Dover Days, Vintage Atlantic Wine Region, etc.


DEDO’s Tourism unit, the Department of Transportation and the Department of Natural Resources were finalists in the Governor’s Team Excellence Awards due to the collaboration and cooperation in developing this trail.

The Delaware Sports Commission, responsible for bidding, recruiting and hosting regional and national sporting events at all levels of competition, continues to enhance the economic development of the state by promoting Delaware as a destination for amateur and professional sports. The DSC assisted in and/or recruited approximately ten events, resulting in over $30 million in economic impact. Additionally, the DSC revived the successful Slam Dunk to the Beach Tournament which in its prime was a premier National High School Basketball Tournament.

The Tourism unit markets to both a national and international market, including participating in international-focused trade shows. DEDO also sponsors international events such as the annual BIO International Convention where 15,000 BIO industry officials attended. The Division of Corporate and International Development (DCID) within the Department of State recently led an initiative to expand outreach to the international market.

In March 2015, Governor Markell announced an initiative to increase export opportunities for Delaware companies. This initiative, led by the Division of Corporate and International Development (DCID) within the Department of State, includes trade missions to key markets overseas, an experienced support team, and the development of an online community to facilitate the exchange of information among Delaware exporters and State officials.

As part of the initiative, the State has developed a comprehensive suite of services to assist companies with their export activities. Services include export counseling, market studies to identify the best countries for doing business, access to foreign buyers and distributors, one-on-one matchmaking business meetings, trade missions led by Delaware staff and in-country trade representatives, and financial assistance through grants for eligible export expenses. [http://news.delaware.gov/2015/03/31/governor-markell-announces-initiative-to-increase-export-opportunities-for-delaware-companies/](http://news.delaware.gov/2015/03/31/governor-markell-announces-initiative-to-increase-export-opportunities-for-delaware-companies/)
In early 2015, the DCID also unveiled its new Global Delaware website which focuses on Investing in Delaware, expanding markets, and forming corporation is the state.
http://global.delaware.gov/

**Strategy 3: Recruit the Future**: Programs that focus on the attraction of new business and industry compatible with Delaware’s future economy and sustainable in the long term.

**Goal I. Expand long-term economic growth through focused recruitment of businesses complementary to Delaware’s core business sectors.**
This goal focuses on targeting external recruitment campaigns to attract businesses with site location advisors, marketing, and familiarization tours and outreach.

**Progress:**
DEDO works with the Delaware Workforce Investment Board to ensure it is kept abreast of industry changes within the State’s leading industries. The various units within DEDO work together to identify and target recruitment efforts to attract and retain companies with sustainable growth potential complementary to Delaware’s core sectors. Additionally, DEDO communicates routinely with regional, national and international site selectors to continuously market the benefits of doing business in Delaware. Participating in and sponsoring the annual International Bio Conference also provides the opportunity to recruit externally.

DEDO leverages marketing investments whenever possible and seeks partners to engage in marketing projects, as appropriate. As an example, DEDO raised marketing matching funds from partners in support of the 2015 International BIO Conference.

DEDO enhances relationships with site selection advisors by planning and facilitating business luncheons. The Governor and DEDO Director participate in the lunch meetings with site selectors across the US, and occasionally outside the US to maximize Delaware’s outreach to potential new markets. DEDO’s Business Development Unit works within its scope to complement these outreach efforts, such as participating in Sussex County Association of Realtors and Commercial-Industrial Realty Council of New Castle County events.

DEDO’s director delivers remarks at professional events throughout the state, often targeting the real estate community.

In order to attract and retain businesses, Delaware must remain competitive. In addition to quarterly updates to DEDO’s Data Book (http://dedo.delaware.gov/News/Publications), DEDO updates data in real time in response to project-specific RFP/RFI’s. On a case by case basis, when a company is looking at Delaware and other states, DEDO will run a comparison to the other states that are under consideration. Additionally, DEDO systematically pulls statistics and rankings to allow us to benchmark our competitiveness.

**Strategy 4: Rejuvenate the Foundation**: Programs that focus on job creation through revitalization of established industries and business centers, innovation, entrepreneurship, research and development, and commercialization of new products and processes.
Goal I. Accelerate the growth of manufacturing.
This goal focuses on accelerating the advanced manufacturing workforce, strengthening the manufacturing sector, and encouraging manufacturing innovation and research.

Progress:
In 2014, Delaware’s Accelerated Career Paths program began with partnership from Delaware Tech and the Delaware Manufacturing Association. The initiative developed a two-year, comprehensive program in manufacturing technologies for Delaware high school juniors and seniors. The program – which results in nationally recognized advanced manufacturing certificates, in addition to a high school diploma and even some college credits – allows students to attend classes at their home school part of the week, while spending the remainder at the community college getting hands-on training. Students attend classes in their homes schools and receive training on manufacturing equipment at Del Tech so they can get the hands-on training necessary to land that first job.


DEDO continues its support of the Delaware Manufacturing Extension Partnership (DEMEP). This federally and state-funded non-profit organization, is committed to helping Delaware’s manufacturers improve their global competitiveness. DEMEP provides confidential access to best practices, processes and business improvement methodologies. DEMEP and the nationwide NIST / MEP network have developed a collection of tools, products and services customized to meet the unique needs of Delaware’s Manufacturers, Financial Institutions, and Health care and Service Providers. http://www.demep.org/about-us/

Goal II. Provide assistance to entrepreneurs and small businesses to grow their business.
Working with stakeholder organizations/partners and state agencies to promote entrepreneurship and small business development through training, formal education, and advisory services, this goal focuses on promoting workforce development and commercialization for new businesses and research concepts.

Progress:
Business First Steps, a website launched by the Department of State in February 2015, helps small businesses find information on business licenses, permits, and other state requirements. The site is an index of almost 200 different industries, professions or products that require state registrations, licenses, certifications, or permits. Business First Steps is the result of many state agencies working together and soliciting feedback from the business community. It is the first state website to centralize information on business licensing and requirements for operating a business in Delaware across state government. It was designed and built by the Government Information Center (GIC), an office within the Delaware Department of State.

http://firststeps.delaware.gov/

Open for Business meetings, held monthly in each county, are collaborative outreach events designed to encourage and support small business throughout the state. These meetings provide entrepreneurs the opportunity to meet the agencies that provide resources to small business, develop key relationships within the small business community, and learn about the programs and services that are available to start-up and existing businesses. Until the spring of 2014, each county had its own marketing/logos/websites to market the events which caused confusion and inconsistencies in messaging. In an effort to create a state-wide brand identity for this program, DEDO designed a common look and feel to create an overall brand identity. Each
county was presented with a logo, letterhead, website outline, and meeting notice and agenda templates, creating synergy across throughout New Castle, Kent and Sussex counties.

http://sedac-de.org/current-events/open-for-business-fair/
https://www.cdcc.net/pages.cfm?ID=49
http://www.eec incubator.com/entrepreneurial-advocacy/open-business/

In support of our entrepreneurial community, the State has provided assistance to several Delaware incubators.

The Middletown Business Incubator and Collaborative Workspace (MBI) serves as an enterprise business center that provides resources for businesses and entrepreneurs. By inspiring entrepreneurship through opportunity, the MBI fosters economic growth for the MOT and surrounding areas. The 3,300 square foot incubator facility is designed to accommodate approximately 10 – 15 businesses. It provides space for conference rooms, a break room, storage, retail space and offices and offers a meeting room, mail and copier services.

http://www.mbide.com/

The Delaware Emerging Enterprise Center (EEC), housed within the New Castle County Chamber of Commerce is a key initiative of the Economic Development Council, a partnership between the New Castle County Government, private businesses and the New Castle County Chamber of Commerce. http://www.eec incubator.com/

DEDO works with the University of Delaware’s Science Technology and Advanced Research Campus (STAR). The STAR Campus is a 272-acre property currently being developed as a space that combines business, research, education and more. A former auto assembly plant, STAR Campus is currently home to UD’s Health Sciences Complex, a California-based fuel cell manufacturing center and UD’s eV2g project and an IT company founded by two University of Delaware graduates. STAR is located in a community that includes mixed-use facilities and mix-income housing. Future development will establish it as a center of innovation, focused on leading research in areas such as health science, cyber security and alternative energy. Through partnerships with private businesses and government agencies, UD will provide educational and professional opportunities for students while igniting job and economic growth within the state. Additionally, with some assistance from DEDO, STAR will soon open 10,000 square foot in wet lab spaces designed to meet the needs of start-up and early stage firms doing basic research and development primarily in the health science field. http://www.udel.edu/star/

Delaware State University’s Optical Science Center for Applied Research (OSCAR) provides Kent and Sussex County entrepreneurs with shared laboratories, offices, meeting space, and space dedicated to serve as hubs of innovation. The laboratories provide advanced technology testing and instrumentation to support a myriad of research needs.

Start It Up Delaware, located in The coIN Loft in Wilmington, aims to be the catalyst for creating a vibrant startup community in Delaware. Founded by individuals from all sides of entrepreneurship-education, private equity, coworking, to actual entrepreneurs, SIUD offers entrepreneurs access to education, coworking space at The coIN Loft, and mentorship.

In the spring of 2015, DEDO help two “Access to Capital” symposia to educate our participating lending institutions and partners on the benefits of its various financing programs including
SSBCI, the Delaware Capital Access Program, Tax Exempt Bond Financing and the Delaware Rural Irrigation Program.

In 2011, DEDO began offering the Kauffman FastTrac program. Today, the program is a collaborative effort as it is now presented through a partnership with Delaware Technical Community College. Through Kauffman, entrepreneurs develop business plans and small business owners receive guidance for taking their business to the next level.

DEDO’s county Business Development Leaders make regular business visits to assist small business owners assess their workforce needs. They help identify all impediments the business may have and work together toward a resolution. Monthly Open for Business events also provides entrepreneurs and small businesses the opportunity to obtain valuable business advice from experts across the state.

DEDO hosts a variety of informational programs designed to educate businesses about available funding resources. DEDO also offers symposiums to educate lenders about DEDO’s funding programs. This also helps to strengthen lender partnerships. Examples of 2015 educational events include: the New Castle County Access to Capital Symposium, Sussex County Access to Capital Symposium and the SBA Lender Roundtable. In an effort to keep lenders updated about DEDO’s micro programs, this outreach is continuous throughout the year.

GOAL III. Work to create opportunities to boost innovation.
Through public-private partnerships and collaboration with Delaware universities and colleges, this goal is focused on encouraging synergy for new technologies, research, process improvements, and innovative concepts.

Progress:
The Delaware Economic Development Office continually works to create opportunities to boost innovation through funding and mentoring programs. Qualified applicants may be eligible to obtain funding through the Delaware Strategic Fund. The DSF is the state’s primary funding source providing low-interest loans and grants to businesses for job creation, relocation, expansion, and brownfield redevelopment. The DSF also supports business research through funding transition grants that will bring innovative new products, jobs and revenue to Delaware. Companies involved in small business innovation—including research-and-development firms looking for the next scientific and technological breakthroughs—can apply for Small Business Innovation Research (SBIR) grants and Small Business Technology Transfer (STTR) grants as a pathway to receiving DTIP grants. These grants help promote the entrepreneurial spirit in Delaware.

DEDO also fosters an environment of innovation through its variety of educational and mentoring programs. DEDO and Downtown Delaware have developed Small Business Mentoring Program (SBMP), an innovative “train the trainer” program to strengthen new, existing and potential business owners and stakeholders in rural Delaware. The goal of this program is to increase the sustainability and provide both an exchange of important business principles and access to a “tool kit of small business strategies for downtowns” utilizing the valuable business resources generated through the successful DEDO Project Pop Up program model, a proven strategy for long term vacancy reduction.
Additionally, Downtown Delaware and DEDO have launched Project Pop Up 2015. Now in its fourth year, entrepreneurs can apply to become the recipient of three months of rent-free commercial space during the holiday season and the assistance of a business advisor from the move-in phase, to the grand opening and beyond. The program also aims to stir economic activity by locating these early-stage businesses in properties that were once vacant, but are now ready for occupants. This year, DEDO is partnering with seven communities throughout Delaware to feature 13 commercial properties. The property “portfolio” includes some unusual spaces in several towns new to the program including, five commercial properties located near or along the Broad Creek River in Laurel; a unique retail space in the newly renovated historic Central Hotel in Delaware City at the origin of the Mike Castle Trail, a new eleven-mile walking/biking path that connects Delaware City with Chesapeake City; and several individual office suites at the Executive Center in downtown Seaford, where renovations will be completed just in time for a mid-September move in. Communities include Delaware City, Dover, Laurel, Milford, Seaford, Smyrna, and on Union Street in West Wilmington.

http://inde.delaware.gov/popup/

Through the Delaware Emerging Technology Center, DEDO offers a two-day eCommerce training course designed to educate entrepreneurs, innovators and small business owners about the components of establishing and operating an eCommerce business. The participants will learn the benefits of increasing their visibility on the Internet for marketing and sales of their business services and products.


Another new innovative entrepreneurial program will be offered through DEDO beginning in mid-September 2015. The One Million by One Million (1M/1M) is a global virtual accelerator that aims to nurture one million entrepreneurs to reach one million dollars each in annual revenue. DEDO will be responsible for vetting applications and awarding funding to qualified startup entrepreneurs. (DEDO will cover the $1,000 membership fee for 10 participants.)

http://1m1m.sramanamitra.com/
Performance Metrics

Due to the fact that this CEDS has only been in place eight months, it is difficult to accurately measure stated performance metrics; however, the following charts and data illustrate the overall economic health of the State of Delaware. The CEDS requires the following performance metrics be reviewed:

- Growth Rate of the Private Sector Gross Domestic Product
- Population Growth by cohort (focus on 25 – 44)
- Increase (Decrease) in Overall Unemployment Rate
- Growth (Decline) of Employment by Industry
- Fastest Growing Jobs
- Per capita (Adjusted) Gross Domestic Product
- Increase (Decrease) in Worker Productivity
- Amount of Traded Goods (Manufacturing Exports)
- Number of new patents issued
- Number of new businesses formed
- Increase (Decrease) in Small Business Innovation Research Awards
- Education attainment level
- Increase (Decrease) in the Workforce participation rate
- Housing Affordability
- Number of Requests for Visitor Information packets.
- Increase (Decrease) in Hotel Occupancy Tax Receipts
Growth Rate of the Private Sector Gross Domestic Product
The GDP is the widest measure of the state of the economy. The GDP is the aggregated monetary value of all the goods and services produced by the entire economy during the quarter (with the exception of international activity). The key number to look for is the growth rate of GDP. Generally, the U.S. economy grows at around 2.5-3% per year and deviations from this range can have a significant impact. Growth above this level is often thought to be unsustainable and a precursor to high inflation, and the Fed usually responds by trying to slow down the "overheated" economy. Growth below this range (and especially negative growth) means that the economy is running slowly, which can lead to increased unemployment and lower spending. Delaware ranks 8\textsuperscript{th} in the nation for GDP per capita.

![Per capita real GDP (chained 2009 dollars)](image)

Source: Bureau of Economic Analysis

Per capita (Adjusted) Gross Domestic Product
GDP per Capita (adjusted for inflation- base year 2009)

<table>
<thead>
<tr>
<th>Geo-Name</th>
<th>2014 GDP per capita ($)</th>
<th>Rank Including the DC, US and regions</th>
</tr>
</thead>
<tbody>
<tr>
<td>District of Columbia</td>
<td>159386</td>
<td>1</td>
</tr>
<tr>
<td>Alaska</td>
<td>66160</td>
<td>2</td>
</tr>
<tr>
<td>North Dakota</td>
<td>65225</td>
<td>3</td>
</tr>
<tr>
<td>New York</td>
<td>64818</td>
<td>4</td>
</tr>
<tr>
<td>Connecticut</td>
<td>64676</td>
<td>5</td>
</tr>
<tr>
<td>Wyoming</td>
<td>64309</td>
<td>6</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>63005</td>
<td>7</td>
</tr>
<tr>
<td>Delaware</td>
<td>60551</td>
<td>8</td>
</tr>
<tr>
<td>Mideast (region)</td>
<td>58649</td>
<td>9</td>
</tr>
<tr>
<td>New England (region)</td>
<td>58071</td>
<td>10</td>
</tr>
<tr>
<td>State/Region</td>
<td>Index</td>
<td>Value</td>
</tr>
<tr>
<td>----------------------</td>
<td>-------</td>
<td>--------</td>
</tr>
<tr>
<td>New Jersey</td>
<td>11</td>
<td>56405</td>
</tr>
<tr>
<td>Washington</td>
<td>12</td>
<td>55298</td>
</tr>
<tr>
<td>California</td>
<td>13</td>
<td>54462</td>
</tr>
<tr>
<td>Texas</td>
<td>14</td>
<td>54433</td>
</tr>
<tr>
<td>Maryland</td>
<td>15</td>
<td>53759</td>
</tr>
<tr>
<td>Far West (region)</td>
<td>16</td>
<td>53756</td>
</tr>
<tr>
<td>Illinois</td>
<td>17</td>
<td>52827</td>
</tr>
<tr>
<td>Minnesota</td>
<td>18</td>
<td>52801</td>
</tr>
<tr>
<td>Nebraska</td>
<td>19</td>
<td>52724</td>
</tr>
<tr>
<td>Colorado</td>
<td>20</td>
<td>52214</td>
</tr>
<tr>
<td>Virginia</td>
<td>21</td>
<td>51338</td>
</tr>
<tr>
<td>Oregon</td>
<td>22</td>
<td>51329</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>23</td>
<td>49951</td>
</tr>
<tr>
<td>Southwest (region)</td>
<td>24</td>
<td>49824</td>
</tr>
<tr>
<td>Hawaii</td>
<td>25</td>
<td>49686</td>
</tr>
<tr>
<td>United States</td>
<td>26</td>
<td>49469</td>
</tr>
<tr>
<td>Iowa</td>
<td>27</td>
<td>49075</td>
</tr>
<tr>
<td>Plains (region)</td>
<td>28</td>
<td>48609</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>29</td>
<td>47901</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>30</td>
<td>47637</td>
</tr>
<tr>
<td>Rocky Mountain (region)</td>
<td>31</td>
<td>46972</td>
</tr>
<tr>
<td>Great Lakes (region)</td>
<td>32</td>
<td>46806</td>
</tr>
<tr>
<td>South Dakota</td>
<td>33</td>
<td>46688</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>34</td>
<td>46665</td>
</tr>
<tr>
<td>Louisiana</td>
<td>35</td>
<td>46448</td>
</tr>
<tr>
<td>Ohio</td>
<td>36</td>
<td>45887</td>
</tr>
<tr>
<td>Kansas</td>
<td>37</td>
<td>45765</td>
</tr>
<tr>
<td>North Carolina</td>
<td>38</td>
<td>44281</td>
</tr>
<tr>
<td>Indiana</td>
<td>39</td>
<td>43861</td>
</tr>
<tr>
<td>Utah</td>
<td>40</td>
<td>43555</td>
</tr>
<tr>
<td>Vermont</td>
<td>41</td>
<td>43354</td>
</tr>
<tr>
<td>Georgia</td>
<td>42</td>
<td>43131</td>
</tr>
<tr>
<td>Missouri</td>
<td>43</td>
<td>42854</td>
</tr>
<tr>
<td>Nevada</td>
<td>44</td>
<td>42539</td>
</tr>
<tr>
<td>Tennessee</td>
<td>45</td>
<td>42115</td>
</tr>
<tr>
<td>Michigan</td>
<td>46</td>
<td>42110</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>47</td>
<td>41871</td>
</tr>
<tr>
<td>Southeast (region)</td>
<td>48</td>
<td>41362</td>
</tr>
<tr>
<td>New Mexico</td>
<td>49</td>
<td>40081</td>
</tr>
</tbody>
</table>
Population Growth by cohort (focus on 25 – 44)
The percentage of Delaware’s population that is older than 65 years of age is larger than that for the US as a whole. In recent years the rate of growth of this segment of the population was greater than that for the US. This rate of growth has implication for budget expenditure. It appears that the growth of this segment is to some extent due to migration to Delaware from other neighboring states such as Maryland, Pennsylvania, New Jersey and other states. Certain measures can be taken to ameliorate the negative effects of the growth of this segment.

Source: US Census Bureau
Increase (Decrease) in Overall Unemployment Rate

The unemployment rate is the ratio of unemployed persons to the total labor force expressed as a percentage. Persons are considered unemployed if they have no job and are actively seeking work. Traditionally Delaware’s unemployment rate has been lower than that at the US level. The same relationship has been maintained over the period 2009 to 2015. The unemployment rate peaked in 2009 and since has steadily fallen to a low level of 5% for Delaware and 5.6% for the US in January of 2015. Currently Delaware’s unemployment rate is 4.7%.

Source: Bureau of Labor Statistics
Growth (Decline) of Employment by Industry
A set of important industries have been selected to make a determination of how these have fared subsequent to the ravages of the great recession and the recovery. The dominant sector in Delaware since the 1980s, when reforms of the financial sector were initiated, has been the Finance and Insurance industry. Although, as is generally accepted, the proximate cause of the recession has been practices in this industry, the industry has recovered and employment in this industry has exceeded that prior to the recession. However more recently, the dominant industry Finance and Insurance has been replaced by Health-care and Social assistance given the aging of Delaware’s and the nation’s population.

Source: Bureau of Labor Statistics
Fastest Growing Jobs
The following table includes the occupations with a typical entry-level education of a **bachelor's degree** that are projected to grow the fastest during the 2012-2022 timeframe in Delaware. This is not a ranking of the occupations with the most openings.

<table>
<thead>
<tr>
<th>#</th>
<th>Occupation</th>
<th>Employment 2012</th>
<th>Employment 2022</th>
<th>Percent Change *</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Meeting, Convention, and Event Planners</td>
<td>240</td>
<td>330</td>
<td>34%</td>
</tr>
<tr>
<td>2</td>
<td>Interpreters and Translators</td>
<td>20</td>
<td>30</td>
<td>29%</td>
</tr>
<tr>
<td>3</td>
<td>Operations Research Analysts</td>
<td>410</td>
<td>530</td>
<td>28%</td>
</tr>
<tr>
<td>4</td>
<td>Cost Estimators</td>
<td>990</td>
<td>1,250</td>
<td>26%</td>
</tr>
<tr>
<td>5</td>
<td>Market Research Analysts and Marketing Specialists</td>
<td>1,880</td>
<td>2,370</td>
<td>26%</td>
</tr>
<tr>
<td>6</td>
<td>Information Security Analysts</td>
<td>470</td>
<td>600</td>
<td>26%</td>
</tr>
<tr>
<td>7</td>
<td>Personal Financial Advisors</td>
<td>1,210</td>
<td>1,500</td>
<td>24%</td>
</tr>
<tr>
<td>8</td>
<td>Athletic Trainers</td>
<td>120</td>
<td>150</td>
<td>23%</td>
</tr>
<tr>
<td>9</td>
<td>Construction Managers</td>
<td>860</td>
<td>1,060</td>
<td>23%</td>
</tr>
<tr>
<td>10</td>
<td>Computer Systems Analysts</td>
<td>2,820</td>
<td>3,450</td>
<td>22%</td>
</tr>
<tr>
<td>11</td>
<td>Dietitians and Nutritionists</td>
<td>160</td>
<td>190</td>
<td>19%</td>
</tr>
<tr>
<td>12</td>
<td>Credit Counselors</td>
<td>120</td>
<td>150</td>
<td>19%</td>
</tr>
<tr>
<td>13</td>
<td>Software Developers, Applications</td>
<td>2,400</td>
<td>2,830</td>
<td>18%</td>
</tr>
<tr>
<td>14</td>
<td>Medical and Health Services Managers</td>
<td>770</td>
<td>910</td>
<td>18%</td>
</tr>
<tr>
<td>15</td>
<td>Radio and Television Announcers</td>
<td>160</td>
<td>190</td>
<td>17%</td>
</tr>
<tr>
<td>16</td>
<td>Geoscientists, Except Hydrologists and Geographers</td>
<td>70</td>
<td>80</td>
<td>17%</td>
</tr>
<tr>
<td>17</td>
<td>Credit Analysts</td>
<td>930</td>
<td>1,080</td>
<td>16%</td>
</tr>
<tr>
<td>18</td>
<td>Architects, Except Landscape and Naval</td>
<td>140</td>
<td>160</td>
<td>16%</td>
</tr>
<tr>
<td>19</td>
<td>Training and Development Specialists</td>
<td>920</td>
<td>1,070</td>
<td>16%</td>
</tr>
<tr>
<td>20</td>
<td>Health Educators</td>
<td>160</td>
<td>180</td>
<td>16%</td>
</tr>
<tr>
<td>21</td>
<td>Fundraisers</td>
<td>550</td>
<td>640</td>
<td>15%</td>
</tr>
<tr>
<td>22</td>
<td>Soil and Plant Scientists</td>
<td>70</td>
<td>80</td>
<td>15%</td>
</tr>
<tr>
<td>23</td>
<td>Recreation Workers</td>
<td>870</td>
<td>1,000</td>
<td>15%</td>
</tr>
<tr>
<td>24</td>
<td>Technical Writers</td>
<td>140</td>
<td>160</td>
<td>15%</td>
</tr>
<tr>
<td>25</td>
<td>Environmental Scientists and Specialists, Including Health</td>
<td>390</td>
<td>450</td>
<td>15%</td>
</tr>
</tbody>
</table>

State Data Source: State of Delaware, Office of Occupational and Labor Market Information
Increase (Decrease) in Worker Productivity

The manufacturing industry’s productivity is an economic indicator of productivity in the state. Delaware’s productivity remains relatively flat, but the table below illustrates that the value added per worker is higher than neighboring MidAtlantic states.

<table>
<thead>
<tr>
<th>State</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delaware</td>
<td>$322,133</td>
</tr>
<tr>
<td>New York</td>
<td>369,852</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>302,239</td>
</tr>
<tr>
<td>New Jersey</td>
<td>262,624</td>
</tr>
<tr>
<td>Maryland</td>
<td>276,359</td>
</tr>
<tr>
<td>Tennessee</td>
<td>289,948</td>
</tr>
</tbody>
</table>

Source: Annual Survey of Manufactures, 2013

Source: US Census Bureau
**Amount of Traded Goods (Manufacturing Exports)**

*Manufactured Exports* includes estimates for the value of manufactured exports and related employment. This metric estimates at the national and state level for "direct" exports (exports manufactured in the United States (U.S.) and consumed in foreign markets), supporting shipments (intermediate goods and services required to manufacture exported goods), and related employment for the manufacturing sector.

![Manufactured Exports](image)

Source: US Department of Commerce

**Number of new patents issued in the State of Delaware**

Patent activity is measured by the number of patents issued per year and can be used as a metric for innovation within the state. Patent activity has increased in Delaware over the past five years.

![Patents issued](image)

Source: United States Patent Office
Number of new businesses formed
The number of new businesses entering the economy is one indicator of economic health. In fact, some have claimed that small businesses hire more employees than larger corporations and, thereby, contribute more to addressing unemployment. Small businesses can contribute significantly to GDP, and they introduce innovative ideas and products that stimulate growth. Therefore, increases in small businesses are an extremely important indicator of the economic well-being of any capitalist nation.

The great recession has had an impact on the number of establishments/businesses. Delaware saw a sharp drop compared to the decline in number of establishments at the national level. In 2012 however there was a reversal of the declining trend and growth was resumed and at a rate of growth that exceeded that at the US level.

![Number of Establishment/ Businesses](image)

Source: Bureau of Labor Statistics

Increase (Decrease) in Small Business Innovation Research Awards
This report covers the period of January 1, 2015 through June 30, 2015. Within these eight months, two SBIR’s have been awarded. DEDO will have more comprehensive data to report on in the next annual report.
Education attainment level

The number of Delawareans with a bachelor’s degree or higher has increased over the last few years. Over 85% of Delaware’s population has a high school diploma or higher.

Source: US Census Bureau
Increase (Decrease) in the Workforce participation rate

Delaware’s Labor Force Participation Rate has been lower than that for the US as a whole. Part of the reason is that Delaware’s population has a higher percentage of senior citizens. Subsequent to the recession the participation rate fell from 63% to 61%. However in the last two years there has been an improvement in the rate, as more people see improvements in the economy, they resume their active job search and therefore are counted as part of the labor force.

Source: Bureau of Labor Statistics
**Housing Affordability**

Housing values in Delaware have been higher than those at the US level. In Delaware housing values grew from 2009 to 2011 and then declined while at the US level the decline started earlier from 2010.

![Median Value of Owner Occupied Housing](chart.png)

Source: US Census Bureau

**Number of Requests for Visitor Information packets**

The number of requests received by the DTO for its Official Delaware Travel Guide, which is considered a clear “signal of intent to travel” (SIT), and therefore has become a reliable indicator of interest in Delaware as a vacation destination. Requests for the Delaware Travel Guide requests had a 9.3% increase, from 20,014 in FY13 to 21,881 in FY14.

**Increase (Decrease) in Hotel Occupancy Tax Receipts**

The Public Accommodations Tax (PAT), which is levied on guests of Delaware hotels and other lodging establishments. Statewide PAT revenue in FY13 was $2.3 million, and rose 7.2% to $2.5 million in FY14.
Priority Projects

The DEDO CEDS Steering Committee considered projects and programs that have been identified within the process of preparing the state-wide CEDS and identified priority projects for the state. These two projects do not represent the full range of projects and programs that could be considered to promote sustainable economic development and resiliency in Delaware. The Exploratory and Destination Center by the Rehoboth Beach-Dewey Beach Chamber of Commerce and the STAR Campus Technology Incubator Project by the Delaware Technology Park primarily reflect infrastructure and workforce development needs that were submitted by local officials and further prioritized by the steering committee.

Project Name: Exploratory and Destination Station Center
Submitted by: Rehoboth Beach-Dewey Beach Chamber of Commerce, Rehoboth Beach, DE
Project Description: The Exploratory and Destination Station Center project is a 501c3 non-profit organization founded by the Rehoboth Beach-Dewey Beach Chamber of Commerce. The Chamber is celebrating 75 years of service with a very strong and organized leadership based Board of Directors. This project will require specialized expertise of facility management, programming, marketing, and administrative execution. With the Chamber of Commerce as its founder, this project is geared to offer opportunity for entrepreneurs to showcase new product and for the project’s partner, Junior Achievement of Delaware, to offer students hands-on experience and real-life opportunities for their future career. The Exploratory, in particular, will offer high-level technology and would open the door for both the private sector and universities to connect. The Exploratory, with its innovation and technology as the centerpiece of Destination Station Center, will offer incentives for start-up business and can be a tool for attracting both national and international companies to Delaware.
Jobs Created: The Exploratory and Destination Station Center projects a minimum of 30 full-time jobs and 60+ part-time jobs, and/or hourly or contracted employees will be needed to run the facility.
Status: The Rehoboth Beach-Dewey Beach Chamber of Commerce will be pursuing funding through the US Economic Development Administration, but has not yet applied.

Project Name: STAR Campus Technology Incubator Project
Submitted by: Delaware Technology Park, Newark DE
Project Description: Delaware Technology Park is part of Delaware’s commitment to attracting both established and promising high technology companies. As a 501(c)(3) nonprofit corporation and collaboration of the State of Delaware, the University of Delaware and the private sector, it is a winning combination that provides a showcase for the area’s commitment to fostering new and emerging business. By clustering these businesses in the same place, they can share services and resources while taking advantage of the benefits of a nearby academic community. To date, DTP has enabled approximately 16,000 new jobs within the park and the surrounding community with 54 companies as tenants in DTP and 30 companies spun out, and all began as start-ups. Over $275 million has been invested in 5 buildings and equipment in DTP. Over $310 million in federal and state grants have been won by DTP companies in the park and the Delaware Biotechnology Institute. The community impact of DTP and its spinouts is over $100 million annually. DTP is at capacity with a waiting list. Concurrently, there is very limited affordable wet lab space in the region to support entrepreneur-led young STEM companies in growing their organizations or for conducting valuable proof of concept experiments needed to secure intellectual property and patents.
**Jobs Created:** Thirteen prospective high-potential companies have been identified for the incubator. These organizations have been vetted for fit with the ecosystem, ability for the technology to reach commercialization, potential scalability including economic development impact and growth potential. Prospective tenants are high technology focused with the potential to create high wage jobs as well as manufacturing facilities and necessary support services. Full capacity of the incubator is expected within three years to total 50 jobs. The jobs represent a blend of C level founders, lead scientists and technicians with an average salary of approximately $100,000 per year. Additionally, the incubated companies will engage and employ University of Delaware students for graduate research, interns and part-time support staff. In several cases, the incubated companies will be new organizations or product extensions of existing companies that are located in or around Delaware Technology Park. Providing incubator space for these spinouts and product/service line extensions will help secure an estimated 500 jobs in existing companies with an average salary of $75,000 per year.

**Status:** Although DTP applied for funding through the US Economic Development Administration, they were not awarded a grant. DTP has secured funding for the design phase and anticipate final costing autumn of 2015.