

# 9. Economic Development

## Historic Background

Through much of its history, Cumberland's economic prosperity derived from its position as an early transportation hub linking the East Coast with the Midwest. Because of its strategic location at a gap in the mountains, Cumberland was in 1806 the starting point for the nation's first highway (the National Road, later known as U.S. Route 40), which reached Wheeling (then part of Virginia) on the Ohio border in 1818. Of even greater significance to Cumberland's economic development in the nineteenth century were the Baltimore and Ohio Railroad, which reached Cumberland from Baltimore in 1842, and the Chesapeake and Ohio Canal from Georgetown to Cumberland, which opened in 1850. By the 1890's, five railroads served Cumberland and employed over 2,000 local people. The C&O Canal was also an important commercial link between East and West, providing bulk transport of items such as coal, flour, iron, and limestone products.

Facilitated by Cumberland's importance as a transportation hub, manufacturing emerged as a major force in the local economy in the nineteenth century. By the mid-nineteenth century Cumberland was the second largest manufacturing center in the State of Maryland, a ranking not surpassed until approximately 1915 by Hagerstown. Important industries included glass manufacturing, brewing, textiles, and iron and steel works. The B&O Railroad's rolling mill, located off Williams Street and Maryland Avenue, was a major employer in Cumberland from 1870 into the twentieth century.

The twentieth century witnessed major changes in Cumberland's economy. Losing out to competition from the faster-moving railroad, the C&O Canal declined in importance until it closed in 1924. The railroad industry also suffered from competition from other modes of transportation in the twentieth century. Traditional industries such as glass making, textiles, and breweries lost ground or disappeared. Nevertheless, manufacturing remained the major source of employment in the City and Allegany County as a whole until relatively recently. Both Kelly Springfield (which manufactured tires at its facility in southwest Cumberland) and Celanese (which established the Amcelle Plant for the production of cellulose acetate about five miles south of the City) located in the area in the 1920's. These companies along with PPG Industries and Westvaco were major employers through much of the twentieth century.

Plant layoffs and closures during the 1970's and 1980's signaled a major economic decline for the City, reaching its nadir with the final closures of the Celanese and Kelly Springfield plants. A major reason for these closures was the emergence of new technologies that rendered older industrial processes and equipment obsolete. In the 1990's, Kelly Springfield was absorbed by parent company Goodyear and moved its corporate headquarters to Akron, Ohio, another setback for the City's economy. Of the "Big Four" employers, only Mead Westvaco remains a significant provider of manufacturing jobs at its Luke Mill Plant, located about 18 miles southwest of Cumberland in Luke, MD.

## **Current Situation**

Cumberland's economy is inextricably linked to the economy of Allegany County as a whole. The promotion of economic development for both the City and County is achieved through a cooperative effort between the City of Cumberland and the Allegany County Department of Economic Development. In addition to its role as a County agency, the Department of Economic Development serves as the staff of the private, not-for-profit Greater Allegany Business Foundation. The Department of Economic Development also provides assistance to small businesses and start-up entrepreneurs through the Small Business Development Center (SBDC) operated jointly with the Western Maryland Region SBDC.

The City is both a partner with the Allegany County Department of Economic Development and part of the private development organization. This partnership has resulted in several successful joint ventures: the Crossroads Venture Center in northeast Cumberland, the Gateway Center on the Baltimore Street mall, and redevelopment of the site of the former Kelly Springfield tire plant in southwest Cumberland as the Riverside Industrial Park.

To facilitate the relationship between the City of Cumberland and the many economic development programs and incentives in the County, a new position was created in 2001 to coordinate the various programs, providing a “one-stop-shop” of services to existing and prospective entrepreneurs. The City’s Economic Development Coordinator is responsible for providing business expansion and retention assistance, as well as marketing the City and recruiting new businesses to locate in Cumberland. The Coordinator works closely with the Allegany County Department of Economic Development, the Small Business Development Center, the Tri-County Council, and the Maryland Department of Business and Economic Development.

To further facilitate local economic development efforts, the City established the Economic Development Commission in 2002. The Commission is a nine-member advisory committee charged with preparing and adopting a long-term economic development plan for the City. The Commission meets once a month, providing recommendations to the Mayor and City Council on policy initiatives for economic development.

Major characteristics and trends of the current economy in the City of Cumberland and Allegany County are as follows:

- In contrast to the past reliance on major employers in manufacturing and transportation, the regional economy has become diversified across job sectors and a greater variety of smaller businesses. Trends since 1996 include a continuing loss of manufacturing and production jobs, reflecting a national trend. Due to the location of the Western Maryland Health System (approximately 2,400 jobs) in Cumberland, health care is a major factor in the City's economy and has to some extent helped to compensate for the loss of traditional manufacturing jobs. Other important regional employers include CSX Transportation (1,000 jobs); federal, state, and county correctional facilities; government; and 10 call centers employing approximately 1,300 persons.
- The Allegany County Department of Economic Development has been an aggressive promoter of business growth, largely through the six County industrial parks. Two of these parks (Commerce Center and Riverside Industrial Park) are located inside

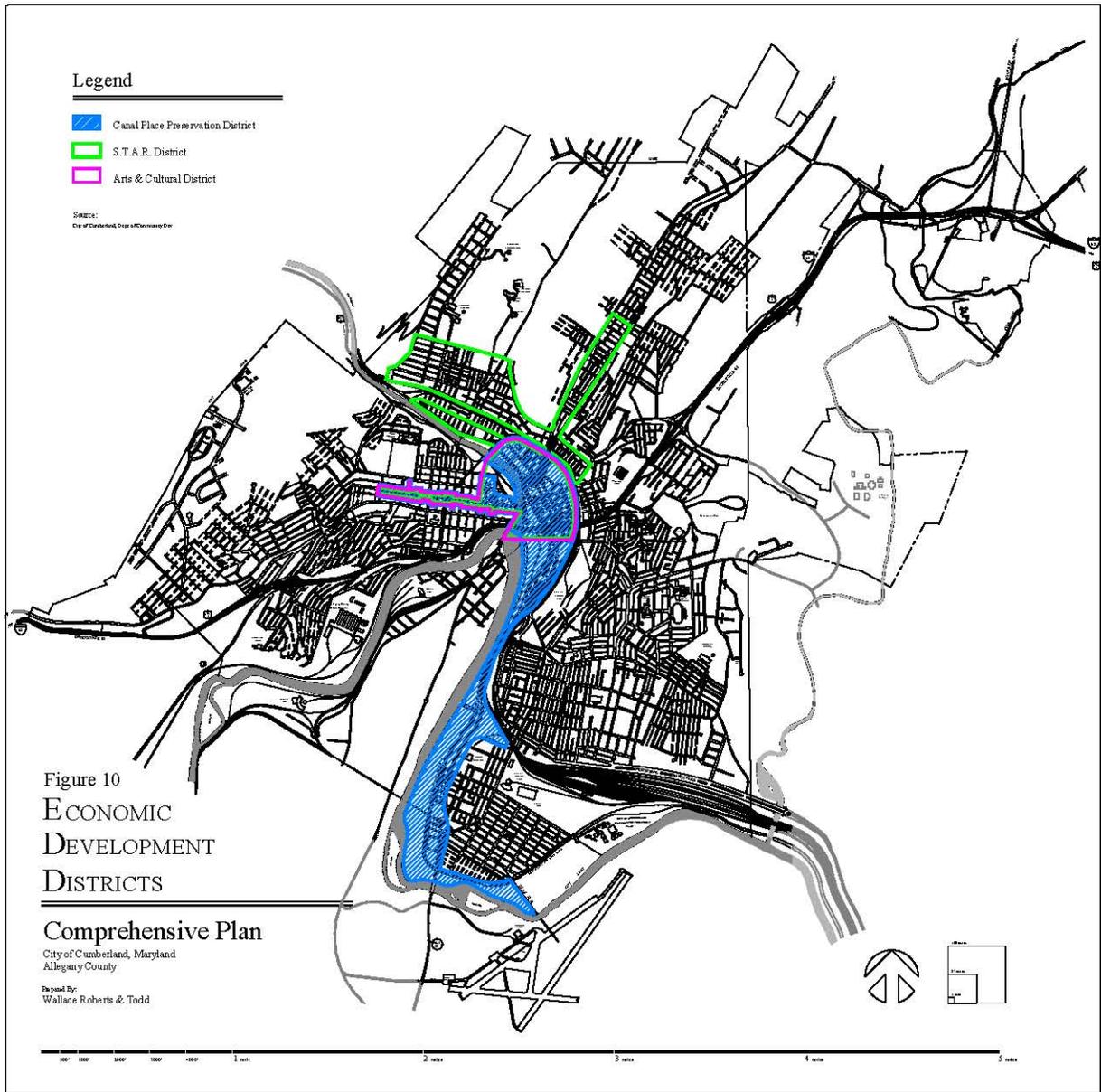
Cumberland while two others (Allegany County Industrial Park and Upper Potomac Industrial Park) are relatively close to the City. Approximately \$2.5 million of funding has been utilized for infrastructure and other improvements to the Riverside Industrial Park, which has succeeded in attracting a variety of new tenants.

- Several significant projects have been completed outside of Cumberland since the 1996 Comprehensive Plan that are helping to sustain the regional economy by providing employment and spin-off economic benefits. Projects of note include one federal, one county, and two state correctional institutions; the Applied Energy Services (AES) Warrior Run Plant; and the Rocky Gap Lodge and Golf resort.
- In addition to the regional projects, some new development is occurring within Cumberland. An example is the Rolling Mill property, which has been successfully marketed as a commercial site taking advantage of the State of Maryland's brownfields legislation. As of 2003, it is approximately 30 percent developed with Martins Grocery Store as the anchor. The STAR district (see below) has also experienced growth, with projects such as the Carver Community Center, the Western Maryland Food Bank, Allegany Towers, and a new Veterans Administration Clinic under construction. In addition to accommodating community recreation and human service programs, the Carver Center will provide business incubator space through funding from the federal Economic Development Administration.
- The Allegany County Visitors Bureau continues to promote the County and the City as an attractive visitor destination. The Rocky Gap Lodge and Golf resort, located in Rocky Gap State Park approximately five miles northeast of Cumberland, is providing a substantial boost to the regional tourism and visitor trade.
- Considerable progress has been made in implementing the Canal Place Heritage Area, providing a heritage tourism attraction with the potential to significantly enhance the City's tourism industry. Current plans include the Crescent Lawn festival grounds with retail development and summer/winter outdoor recreation, rewatering of the former canal, and a potential hotel. Development of the retail component consisting of specialty stores and a restaurant was completed in the spring of 2003. At the current time the publicly subsidized Western Maryland Scenic Railroad at Canal Place remains Cumberland's primary tourism attraction, attracting an annual ridership of approximately 35,000 persons.
- Through recent economic development activities, downtown Cumberland has experienced an upswing. The City's entrepreneurial program has resulted in a number of startup businesses with an overall 80% to 90% success rate. The Downtown Development Commission is also working to improve the economic vitality of Cumberland's downtown. The Commission's two Downtown Managers, funded in part by the Main Street Maryland program, report a net gain of 49 businesses, 478 full-time jobs, and 128 part-time jobs between April 1998 and April 2003.

## Resources Available to Businesses in Cumberland

Through the City's Economic Development Coordinator, existing and prospective business owners can apply for the following business development incentives to expand or locate in Cumberland:

- **Enterprise Zone Tax Incentives:** Cumberland is part of the largest Enterprise Zone in the State of Maryland, providing income tax credits on new employees, property tax credits on new investments, access to State venture capital fund, and a variety of other incentives. Funds are provided through the State of Maryland in cooperation with the City of Cumberland and Allegany County.
- **One Maryland:** This program provides two special tax credits to businesses that initiate major investment projects in Maryland's most economically distressed jurisdictions, including Allegany County. Tax credits of up to \$5 million are based on qualifying costs for acquisition, construction, rehabilitation, installation, and equipment. Startup tax credits of up to \$500,000 are based on a business' cost to furnish, equip, and move to a new location in a qualified distressed county from outside Maryland. Funds are provided through the State in cooperation with the City and County.
- **Lenders Loan Pool:** The Lenders Loan Pool is a financing program for the startup costs and renovations of businesses relocating and/or expanding within the Central Business District. Loans ranging from \$10,000 to \$100,000 are provided at 7% interest for a maximum of 60 months and can be used for expenses such as inventory, leasehold improvements, equipment, and receivables. Funds are provided by the City of Cumberland in partnership with local banks and the State of Maryland.
- **Arts and Cultural District Incentives:** Much of downtown Cumberland has been designated as a local and state Arts and Cultural District to tap into the emerging demand for artist loft space in the downtown (see Figure 10). Current incentives to the arts and cultural community include real estate tax credits, upper floor redevelopment grants, façade improvement grants, signage grants, micro-enterprise business grants, and access to the Cumberland Lenders' Loan Pool.
- **Micro-Enterprise Grants:** Micro-enterprise grants are available in the downtown area to encourage business expansion and startups. In addition, commercial and residential façade improvement grants are available in the downtown area as well as the City's Community Betterment neighborhoods.
- **Maryland Neighborhood Business Development Program:** This program is part of the "Smart Growth" initiative to help stimulate investment in Maryland's older communities. The NBDP loans provide flexible gap financing to small businesses locating or expanding in locally designated neighborhood revitalization areas throughout the State. Loan financing ranging from \$25,000 to \$500,000 is available for market/planning/feasibility studies; real estate acquisition, new construction or rehabilitation; leasehold improvements; machinery and equipment; working capital (when part of total project cost); and certain other costs associated with opening or expanding a small business. Funds are provided through the State of Maryland's Department of Housing and Community Development.



- **Community Legacy Program:** The State of Maryland's Department of Housing and Community Development's Community Legacy Program provides funding to local governments and community development corporations for comprehensive neighborhood revitalization activities. Past programs that have been funded under the Community Legacy Program include the Upper Story Redevelopment Program, the CNHS Mixed-Use Development Program, and the Interfaith Housing of Western Maryland's Self Help Home Ownership Program. The City should continue to look at possible projects worthy of Community Legacy assistance in future applications.
- **Community Betterment Program:** Initiated in 2002, Community Betterment provides funding to enable neighborhood-based organizations to undertake improvements within their neighborhood areas. Funds are provided by the City of Cumberland through the Community Development Block Grant Program.
- **Historic District Tax Incentives:** There are a number of tax incentives available at the federal, state, and local level for preservation purposes. Properties within the Canal Place Preservation District are eligible for these incentives.

Resources available to businesses in downtown Cumberland include a Small Business Administration Business Information Center and a SCORE Chapter. The Business Information Center provides access to written, video, and Internet-based learning materials as well as business counseling services for existing and prospective business owners throughout the Cumberland area. The Center houses a SCORE chapter that provides business guidance through retired business executives.

### **Statistical Trends**

The Maryland Office of Planning has projected broad statistical trends in the economy of Allegany County through the year 2020. These projections were developed for counties and the State of Maryland as a whole and thus do not provide specific information for the City of Cumberland. However, the information is valuable in that it provides a general overview of the regional economic trends affecting Cumberland and a comparison to trends at the state-wide level.

Table 6 provides a sector breakdown of County employment in ten-year increments from 1970 to 2000 (actual) and five-year increments from 1995 to 2030 (projected). The figures reflect a major decline in manufacturing from 1970, when this sector represented 33 percent of the County's employment, to 2000, when manufacturing declined to only 11 percent of County jobs. The total number of jobs in Allegany County increased by about seven percent during this period, while employment in the State of Maryland as a whole increased by 83 percent. The major components of the County's economy in 2000 were services, which increased from 16 percent of total jobs in 1970 to 31 percent in 2000, and retail trade, which increased from 15 percent of total jobs in 1970 to 22 percent in 2000. These trends indicate the County's transition from a largely manufacturing-based to a services-based economy.

The Office of Planning projects that Allegany County's decline in manufacturing jobs will continue through 2020 but at a slower rate than during the 1980's and 1990's. Manufacturing jobs are projected to decline by 26 percent from 1990 levels to only 9 percent of County employment in 2020. However, the Allegany County Department of Economic Development

cites as a current trend the opening or expansion of a significant number of small manufacturing companies employing between 25 and 500 persons, located mostly in County industrial parks.

The Office of Planning projects that the County's decline in manufacturing jobs will continue through 2030 but at a slower rate than during the 1980's and 1990's. From 2000 to 2030, manufacturing jobs are projected to decline by 12 percent to only nine percent of total employment in the County in 2030.

As shown in Table 6, services and retail trade are expected to remain Allegany County's dominant sectors in the future and are projected to comprise 36 percent and 22 percent, respectively, of total County employment in 2030. Total County employment is projected to increase approximately eight percent from 2000 to 2030, compared to a projected increase of 19 percent for Maryland as a whole.

Table 7 compares per capita personal income (1996 dollars) in Allegany County and Maryland as a whole in ten-year increments from 1970 to 2000 (actual) and five-year increments from 2005 to 2030 (projected). In 1970 per capita income in the County was approximately 76 percent of the state-wide average, a figure that declined to approximately 63 percent of the state-wide average in 2000. The Office of Planning projects that per capita income in the County as a percentage of the state-wide average will decline further in the future, to approximately 60 percent in 2030. It should be noted that the lower average per capita income in the County is partially offset by lower costs of living than in more urbanized sections of the state.

Finally, Table 8 compares the percentage of the total civilian workforce who were unemployed in ten-year increments from 1960 to 2000 as compiled by the U.S. Census. Because this table is derived from historic Census data, information is available for Cumberland as well as Allegany County and the state. As shown in the table, unemployment was higher in the City and County than in Maryland as a whole throughout this period. In 1960, unemployment was lower in Cumberland than in Allegany County as a whole. However, in 1970 the City's unemployment rate surpassed the rate in the County, a trend that continued through 1990. With the exception of 1980, the difference between the local unemployment rates and that of Maryland as a whole increased between 1960 and 2000, when the rates in the City and the County were 2.3 and 2.8 times the state average, respectively. In 2000 the City's unemployment rate was below Allegany County's for the first ten-year increment since 1960 and was 31% lower than in 1990, evidence that Cumberland's employment picture improved over the decade.

**Table 6. Total Jobs by Sector, Allegany County**

	1970	1980	1990	2000	2005	2010	2015	2020	2025	2030
Agricultural Services, Forestry, and Fisheries	300	400	300	200	200	200	200	200	200	200
Mining	100	100	100	200	200	200	200	300	300	300
Farming	200	400	200	100	100	100	100	100	100	100
Construction	2,100	1,800	2,200	1,900	1,900	1,900	1,900	1,900	1,900	1,900
Manufacturing	11,800	7,900	4,900	4,200	4,100	3,900	3,800	3,800	3,700	3,700
Transportation, Communications, and Public Utilities	3,800	3,000	2,100	1,900	1,900	2,000	2,000	2,000	2,000	2,000
Wholesale Trade	900	800	1,000	700	700	700	700	700	700	800
Retail Trade	5,300	6,000	8,300	8,400	8,500	8,600	8,700	8,900	8,900	9,000
Finance, Insurance, and Real Estate	1,200	1,500	1,800	2,100	2,200	2,300	2,300	2,400	2,400	2,400
Services	5,900	7,300	9,700	12,000	13,300	14,100	14,500	14,700	14,800	14,900
Government	4,500	5,300	5,300	6,600	6,500	6,400	6,500	6,500	6,500	6,200
<b>Total</b>	<b>36,100</b>	<b>34,500</b>	<b>36,100</b>	<b>38,500</b>	<b>39,600</b>	<b>40,400</b>	<b>40,900</b>	<b>41,500</b>	<b>41,500</b>	<b>41,500</b>

**Table 7. Per Capita Personal Income (\$1996)**

	1970	1980	1990	2000	2005	2010	2015	2020	2025	2030
Allegany County	12,270	15,226	17,814	19,926	20,597	21,199	21,662	22,103	22,413	22,720
State of Maryland	16,333	20,340	26,873	31,622	33,277	34,797	35,907	36,711	37,380	37,937

Source: Maryland Office of Planning, 2002

**Table 8. Unemployment Rates, 1960 to 2000**

	1960	1970	1980	1990	2000
City of Cumberland	5.6%	6.2%	8.6%	10.6%	7.3%
Allegany County	6.7%	5.2%	8.3%	8.2%	8.9%
State of Maryland	4.8%	3.2%	5.8%	4.3%	3.2%

- Issues:*
- Cumberland and Allegany County display the effects of long-term declines in economic conditions and population: a higher unemployment rate than Maryland as a whole, including older workers with backgrounds in obsolete manufacturing technologies; low disposable income among many residents (Allegany County ranks twenty-second out of 24 Maryland counties with regard to median family income); and limited financial capability of local government due to the small population size and tax base. In addition, the State Office of Planning projects that future employment growth in Allegany County will be slow, amounting to less than half of the growth in employment projected for Maryland as a whole.
  - Another legacy of the decline of Cumberland's economic base is a relatively large number of underutilized or vacant industrial and commercial buildings and sites. Over the last decade considerable progress has been made in redeveloping these properties, in particular the two largest - Riverside Industrial Park and the Rolling Mill site. The Rehabilitation and Redevelopment Floating Zone District adopted as part of the revision to the Zoning Ordinance and Subdivision Regulations is intended to promote reuse of nonconforming properties such as former brewers, bakeries, laundries, and similar uses located in residential districts. Efforts should continue to encourage compatible redevelopment of such properties.
  - Based upon the vision of Cumberland as a good place to live, visit, and start a business, the City's economic development strategy should focus on two inter-related elements:
    - working with the Canal Place Preservation and Development Authority, Allegany County Visitors Bureau, and others to make the City a heritage tourism destination; and
    - building job opportunities and income for local residents by encouraging entrepreneurs to start and develop new businesses in Cumberland.
  - Much of the opportunity for starting new businesses is expected to be derived from the dollars imported into the community by heritage tourism as the Canal Place initiative is implemented. However, opportunities also need to be created for non-tourism related business enterprises, both in recognition of the time required to build a significant heritage tourism industry and to promote a more diversified economy.
  - Statistics compiled by the Canal Place Preservation and Development Authority indicate that annual visitation to the heritage area rose 60% (from approximately

82,000 to approximately 131,000) and visitor spending rose 115% (from approximately \$4.9 million to approximately \$10.6 million) between 1996 and 2002. There are several challenges for the future:

- maximize the economic benefits of Canal Place for the City with demonstrable results as major capital investments such as the Crescent Lawn and the re-watered canal come on line;
  - integrate Canal Place and heritage tourism into a broader, diversified economic development strategy that capitalizes on the City's assets and overcomes its liabilities; and
  - educate residents as to the benefits that Canal Place brings to the City.
- Downtown revitalization is a necessary component of a coordinated economic development strategy for Cumberland. As noted in the Land Use and Cultural Resources Element, an opportunity exists to build the economy of the downtown around its traditional role as a regional center for financial and professional services combined with specialty retail and heritage tourism-related businesses. Continuing the current relationship between the City and the Canal Place Preservation and Development Authority is necessary in order to build physical and programmatic linkages between Canal Place and the downtown.
  - Cumberland has a pool of educated and experienced workers with a strong work ethic. However, the loss of traditional manufacturing employment has left many workers ill equipped to compete in the post-industrial economy. Moreover, if entrepreneurial enterprises are to locate and grow in Cumberland, a flexible workforce willing to learn new skills is required. These two factors indicate the importance of programs to train and retrain workers for new job opportunities.
  - Businesses located in Cumberland are subject to City tax, which is not imposed in the County. The County pays a tax differential to the City to account for duplicate services provided by the City and the County, but the amount of the differential permitted under Maryland law does not significantly reduce the City's tax burden, particularly for businesses. Although the perception of the impact of double taxation may be greater than the reality when the services provided in the City are taken into consideration, Cumberland is at a competitive disadvantage compared to Allegany County. The City has taken some steps to address this issue, such as removing solid waste collection from the tax rate and charging it as a fee. Setting rates for water and sewer service to properties in the County to reflect the true costs of distribution is another possibility. In general, tax incentives and policies that "level the playing field" between the City and County should be a high priority of Cumberland's economic development strategy.
  - The quality of life in Cumberland is rated highly by residents and should not overlooked as a potential asset in promoting economic development. Contributing factors include the relaxed pace of life, a relatively low cost of living and crime rate, a strong social support structure including friendly neighborhoods and active organizations (churches, clubs, etc.), an attractive natural setting, and abundant opportunities for outdoor recreation.

- Access to the latest telecommunications technology is important to attract businesses, entrepreneurs, and individuals to Cumberland. The Allegany County Network (Allconet) has been in operation since 1994 to serve the voice, data, and Internet needs of governments and regional non-profits. The “state-of-the-art” Allconet 2 will expand these services at reasonable costs to the private sector, including high capacity corporate users.
- The Economic Development Commission has identified “sustainable development” as a concept that is potentially applicable to Cumberland.<sup>1</sup> A number of sustainability principles were implicit in the 1996 Comprehensive Plan, including goals, objectives and actions linking economic development with quality of life and preservation of natural assets such as the wooded hillsides surrounding the City. Heritage tourism based upon conservation of the cultural and natural resources of Canal Place is also a form of sustainable development. However, questions have been raised about the feasibility of promoting sustainability principles to existing and potential businesses in Cumberland and Allegany County. Consensus is needed regarding the development and application of a sustainable development strategy tailored to Cumberland.

## **Goals, Objectives, and Actions (Economic Development)**

### **Goal 8**

**Develop a coordinated, public/private sector economic development strategy focused on promoting business start-up and development.**

#### **Objective 8.1**

Improve coordination and expand partnerships among public agencies, institutions, and private sector businesses to promote business start-up and development.

##### **Action 8.1.1**

Work with the City of Cumberland Economic Development Commission to define a comprehensive economic development strategy for the City of Cumberland. Building upon the directions of entrepreneurship, heritage tourism, and quality of life set by the Comprehensive Plan, this strategy should address the following:

- diversifying the City’s economy through appropriate target “niches” that complement the County’s overall economic development program;
- leveraging the City’s resources through partnerships with other economic development agencies and the private sector to promote business startup and development, business recruitment, and business retention and expansion;

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<sup>1</sup> The accepted definition of sustainable development is “meeting the needs of the present generation without compromising the ability of future generations to meet their needs” (World Commission on Environment and Development (Brundtland Commission), 1987). The Economic Development Commission has discussed applying the concept of sustainability to economic development activities in Cumberland by attracting individuals and businesses who are drawn by the area’s quality of life and are willing to make a commitment to investing (giving something back to) the community.

- exploring the possible formation of private, non-profit organization (e.g., a Community Development Corporation) to increase access to private sector resources and capital for economic/community development activities;
- integrating economic development, housing improvement, and marketing in a comprehensive strategy to attract and retain residents; and
- developing locally-based principles of sustainability (e.g., retaining and attracting entrepreneurs and businesses that make a commitment to “investing in community”) and an approach to applying the principles to economic development activities in Cumberland.

**Action 8.1.2**

Pursue additional joint economic development ventures with other public and private organizations, including consideration of construction or renovation of a shell building(s) to provide low cost space for business startup and development.

**Action 8.1.3**

Continue to work with and support agencies such as the Maryland Small Business Development Center, Department of Business and Economic Development Western Maryland Office, Tri-County Council, Western Maryland Business Resource Center, and Western Maryland State Planning Office in business development and employment training programs. Where possible, co-locate economic development agencies to build partnerships, share resources, and provide “one-stop” economic development services.

**Action 8.1.4**

Work with the Allegany County Public School System, Allegany College of Maryland, and Frostburg State University to promote and support economic development in the City of Cumberland, including:

- educational and training programs that teach children and adults the skills required to succeed in the 21<sup>st</sup> century economy (see Action 5.9.3);
- on-the-job training and placement programs for graduates that connect students with opportunities in the local and regional employment market; and
- promoting the start-up of new businesses or expansion of existing businesses.

**Action 8.1.5**

Consider hiring a professional planner within the Department of Community Development to promote economic development in Cumberland (e.g., through agency coordination and pursuit of funding) in conjunction with other planning and development activities (see Action 2.1.4).

**Objective 8.2**

Implement regulatory and fiscal policies that facilitate business start-up and development.

**Action 8.2.1**

Ensure that adequate property is available for the various stages of business development, including:

- land zoned and made available for industrial uses; and
- properties in the downtown and elsewhere in the City suitable to accommodate entrepreneurial startups and small business uses; and
- continually review land annexation opportunities; and
- continually review opportunities for targeted blight removal.

**Action 8.2.2**

In conjunction with local realtors, develop and maintain an inventory of available properties as a tool for use in encouraging businesses to establish or relocate in Cumberland (see Actions 2.3.2, 2.3.3, 2.4.3, and 2.4.4).

**Action 8.2.3**

Monitor development regulations such as the Building Code and Zoning for opportunities to make it easier to start and operate businesses, consistent with protecting neighborhood character and adjacent properties (see Action 7.6.1).

**Action 8.2.4**

As part of Action 8.2.3, promote use of the home occupation provisions of the Zoning Ordinance to permit start-ups of entrepreneurial businesses in homes in residential areas, provided that adjacent properties are not adversely affected.

**Action 8.2.5**

Continue to develop coordinated, simplified, and streamlined review and approval procedures for commercial development applications. Address fee structures for building and utility permits to ensure that Cumberland is competitive with adjacent jurisdictions (see Action 7.6.2)

**Action 8.2.6**

Continue to evaluate and address tax policies in the City in order to 1) quantify the cost of doing business in Cumberland versus the County when differences in delivery of services are taken into account, and 2) identify ways of reducing the tax burden on businesses in Cumberland.

**Action 8.2.7**

Target investment in public infrastructure (roads, water, sewer, etc.) to serve economic development sites.

**Action 8.2.8**

Use the Capital Improvements Program to prioritize and schedule capital projects needed to implement the recommendations of the Comprehensive Plan.

**Action 8.2.9**

Review the City's operating budget for changes that can be made to implement the recommendations of the Comprehensive Plan (e.g., by allocating resources for a Professional Planner who can assist in achieving the plan goals related to economic development, land use, housing, etc.).

**Objective 8.3**

Continue to implement an economic development strategy for the downtown to strengthen its position as a regional center for tourism, specialty retail, and financial services (see also Objective 2.2).

**Action 8.3.1**

Continue to work with the Downtown Development Commission and Canal Place Preservation and Development Authority to maximize private sector development generated by Canal Place, including enhanced physical and programmatic connections.

**Action 8.3.2**

Work with the Downtown Development Commission to promote increase the range of activities and economic vitality of the downtown, for example:

- residential units in the upper floors of downtown buildings;
- “incubator” spaces for startup businesses;
- artists’ “live-work” spaces; and
- special events to draw people to the downtown.

**Action 8.3.3**

Establish physical and programmatic connections from the downtown to adjacent commercial/mixed-use areas, including the Greene Street and North Mechanic Street/North Centre Street Gateway Corridors. Coordinate with installation of signage and streetscape/landscaping improvements (see Actions 3.5.1, 3.5.3, and 3.5.4).

**Objective 8.4**

Develop and implement a revitalization strategy for the Virginia Avenue corridor from First Street to the intersection with River Avenue in South Cumberland.

**Action 8.4.1**

Conduct a study to define 1) the proper niche for the Virginia Avenue corridor in the Cumberland market and 2) a strategy to maximize the corridor’s long-term economic development potential.

**Action 8.4.2**

Work with local property owners to implement the revitalization strategy for the Virginia Avenue corridor, including encouraging startups of new businesses and use of available programs and incentives for business improvements.

**Objective 8.5**

Market Cumberland as a good place to visit, live, and start or operate a business.

**Action 8.5.1**

Support and encourage expansion of programs of the Allegany County Visitors Bureau and Chamber of Commerce to promote Cumberland as a good place to visit, highlighting Canal Place, the downtown, and other attractions. The City's economic development strategy should focus on two inter-related elements:

- working with the Canal Place Preservation and Development Authority, Allegany County Visitors Bureau, and others to make the City a heritage tourism destination; and
- building job opportunities and income for local residents by encouraging entrepreneurs to start and develop new businesses in Cumberland.

**Action 8.5.2**

Develop and implement a focused program to attract new residents to Cumberland by marketing it as a good place to live (see Objective 7.5 and Actions 7.5.1 to 7.5.3).

**Action 8.5.3**

Work with the Allegany County Department of Economic Development and Chamber of Commerce to develop and implement a city economic development marketing program, including:

- defining target “niche” businesses and entrepreneurs per Action 8.1.1;
- promoting the availability of properties for startup and small businesses per Action 8.2.1; and
- initiating a focused marketing/outreach program and materials that highlight Cumberland's quality of life and atmosphere conducive to business startup and development; and
- promoting new business recruitment and existing business retention and expansion.