



City of Annapolis

DEPARTMENT OF PLANNING AND ZONING

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Report, Findings and Recommendations

To: City Council
From: Planning Commission
Date: May14, 2024
Re: Maritime Economic Development Director's Annual Report

Introduction

In accordance with O-25-21, the City of Annapolis is tasked with annually collecting from commercial and retail property owners in the maritime zones a breakdown of maritime and non-maritime uses. This information is used to inform City policy and to determine which properties are in compliance with the maritime use requirements and which are not.. In 2022 the Department of Planning & Zoning identified 47 properties located in maritime zones that were required to provide annual reports.

On April 4, 2023: Stephen Rice and Hope Stewart, of the Office of Economic Development, addressed the Commission and reviewed their efforts to obtain requested information from the businesses and property owners in the maritime district.

Following up on questions asked by the Planning Commission during the previous meeting on March 7, they provided further information in a report packet. Mr. Rice led a review of the report, which detailed the Economic Development staff's efforts to support the maritime industry in Annapolis and their information collection techniques. They reported results, analyses and recommendations.

Main Points

- Business recruitment successes and challenges: Support for the maritime industry by providing research assistance to six new Stage II businesses, and formation of a program to address workforce talent needs and create job opportunities.

- Workforce development: The Office of Economic Development convened a “round table” of stakeholders to address the industry’s need for skilled workers and how to attract, train and employ new, young workers.
- The overall health of the Annapolis Maritime Industry is reported as “very strong.”

The Commissioners asked questions about data in the updated Maritime Property listing and challenges to reporting compliance. The absence of data from a significant maritime property, SAYC, was noted.

Assessment of Maritime Economic Development Director’s Annual Report

With respect to property owners’ reporting of maritime use within the zones, there was a poor response rate – 48%. The Director of Economic Developed noted several challenges to completing the necessary information in the report.

- Missing data fields due to the requirements being new and requiring significant explanation.
- Disincentives to property owner to comply; that is, if the owner reports a higher than authorized non-maritime lease percentage, that results in the property owner having to pay into the Maritime Industry Fund.
- Letters requesting information were sent to property owners. However, property owners are often not the same as the property managers, and the owners do not have the information required by the code.
- The code remedy for failure to comply is not commensurate with the infraction. The code only grants authority to the Director of Planning to revoke the use and occupancy permits for the tenants at the property. There are no in-between, lesser penalties.

Challenges to improving the health of and support for the Maritime Industry & Business Recruitment were noted; these are the same challenges found by the Maritime Workforce Group in 2021.

- Workforce talent is generally missing within the local economy for in-demand positions;
- Hiring challenges;
- Retention challenges.

Mr. Rice and Ms. Stewart reported collaborative efforts by the City, the Maritime Trades Association, county community colleges and even the school system to introduce young people to the water and to the opportunities in the maritime trades. Interestingly, they observed the necessity to begin the process in the middle schools, before career goals are set by high schoolers.

Recommendations

The Commission recommends amending the reporting sections of the statute:

- Require property owners, and not tenants, to report.
- Reporting requirements are sent to the address of the property owners. Often, the property owners and the property managers are not one and the same. To facilitate the data collection of the necessary data, additional fields should be added to include addresses of both property owners and property managers along with associated business names.
- Penalties for non-compliance by the property owner should not penalize the tenants of the property, as it does currently with the only remedy being revocation of the use and occupancy permit of the tenant. This essentially penalizes the tenant and not the landowner. This misaligns the penalties and potential solutions. It is recommended that the Code be amended to add a financial penalty for non-compliance and that the penalty be mandatory and that the penalty be the amount the landowner would pay into the Fund for a fully non-maritime property.
- Additional education efforts must be made to ensure landowners are aware of this requirement.
- Data should be shared digitally in a filterable format. That would make it possible to show the locations on a map -- preferably a WebMap/WebApp. That way Planning Commissioners and City Alderpersons would be able to more easily locate the buildings of interest.

Maritime job training and career path awareness among high school and middle school students should be highly encouraged. Increased collaboration with the public school system is encouraged. Some further refinement of the needs were identified:

- How many skilled workers of each position are needed to support a healthy local maritime industry? How many does the local economy have and what are the gaps?
- Local businesses shared that they cannot pay enough to compete against many other areas. How much are these positions paid locally? How much are they paid in other markets?

The Planning Commission voted 4-0 to approve the Report.

Robert H. Waldman, Chairman

Date

Resources

[Maritime-Task-Force-Strategy-Strengthening-the-Industry-2021-PDF \(annapolis.gov\)](#)