

Debra L. Jones, Port Tobacco, MD

Public Comments Session Tues, 6/11/24 – Economic Development, Purchasing by CCG, and GDP

Good evening commissioners.

My name is Debra Jones. Thank you for holding a public comment session at 7 PM.

A few times now, I've heard some of you mention County contracting as an Economic Development strategy, and you've heard me speak before about the purchasing functions being located within the Economic Development Department.

When Charles County Government contracts for or purchases stuff, that is not Economic Development. It is the government purchasing the operational services and goods needed for the county to conduct its business; things like maintaining roads, providing water & sewer services, buying supplies, and the like.

Economic development, by contrast, relates to the goods and services produced by ALL the businesses located in this county. It focuses on the job creation, especially good paying jobs, and the tax revenue generated through economic activity.

The value of contracts awarded annually by Charles County Government is somewhere in the neighborhood of \$60 million per year.<sup>i</sup> That amount is entirely taxpayer-funded.

The County's GDP – Gross Domestic Product – represents the value of what businesses located in Charles County produce. Charles County's GDP is about \$6 billion a year, according to the Bureau of Economic Analysis.<sup>ii</sup>

So Charles County Government purchases around \$60 million a year. But the amount produced by businesses in Charles County is about \$6 billion a year. And the county receives revenues based on that value. Economic Development focuses on the \$6 billion and growing that number.

Some will hear this and say, wow \$6 billion is a lot of money! And in fact, Charles County ranked 12th in the state overall in terms of county GDP.

When you compare Charles County's GDP - the value of what businesses produce - on a per capita / per person basis, we are number 24 in the state<sup>iii</sup>. That is dead last.

For comparison, here are some other Maryland counties' GDP per capita: Howard is 4<sup>th</sup> and Frederick is 9<sup>th</sup>. Both were identified as good benchmark counties when the 2016 Economic Development strategic plan was done. Saint Mary's ranks 5th on a per capita basis. Even Calvert County is 16th. And Charles County is dead last.

So my point in bringing this up is this: As new opportunities arise, especially with the infusion of more than \$1 billion at

Indian Head coming in the next decade, I ask that you really focus on the broader economic impact and ensure that we are well-positioned to land much of that business activity here, by making sure that we have available sites, ready to go, in a variety of sizes, with infrastructure, so that we don't end up losing businesses to Prince George's or other counties because we aren't ready to take advantage of those opportunities.

Thank you.

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<sup>i</sup> Charles County Disparity Study Executive Summary dated July 2021, prepared by Griffin & Strong, P.C., Table 3 (page 13): Summary of Prime Utilization by Work Category, Total of \$301,000,000 over the 5-year study period.

<sup>ii</sup> Bureau of Economic Analysis News Release #BEA 23-60, released December 7, 2023, Table. Real Gross Domestic Product, by County, 2019-2022.

<sup>iii</sup> Calculated using BEA GDP and U.S. Census Bureau Total Resident Population for Maryland's Jurisdictions, April 1, 2020 thru July 1, 2023, as prepared by Maryland Department of Planning, Projections and State Data Center Unit, March 2024.

**FINDING 4: MWBE PRIME UTILIZATION**

As Table 3 below shows, Charles County paid a total of \$77.6 million in prime construction spending in the Relevant Market during the Study Period and \$9.5 million of this amount, or 12.3% was paid with MWBE firms as prime contractors. MWBEs were paid 4.16% of A&E dollars, 6.46% of Other Services, and 1.93% of Goods. MWBEs were paid 7.13% of prime payments across all purchasing categories.

**Table 3: Summary of Prime Utilization by Work Category**

*In the Relevant Market*

*(Based upon Payments FY2015-FY2019)*

*Charles County Disparity Study*

Business Ownership Classification	Construction	A&E Services	Other Services	Goods	Total
	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 48,595	\$ 288,731	\$ 6,114,474	\$ 70,459	\$ 6,522,259
Asian American	\$ 3,731,772	\$ 517,811	\$ 1,396,826	\$ -	\$ 5,646,409
Hispanic American	\$ 2,632,613	\$ -	\$ 34,312	\$ 8,979	\$ 2,675,904
Native American	\$ 648,532	\$ -	\$ -	\$ -	\$ 648,532
<b>TOTAL MINORITY</b>	<b>\$ 7,061,512</b>	<b>\$ 806,542</b>	<b>\$ 7,545,612</b>	<b>\$ 79,439</b>	<b>\$ 15,493,105</b>
Nonminority Female	\$ 2,482,525	\$ 14,107	\$ 2,690,414	\$ 791,019	\$ 5,978,066
Unidentified MWBE	\$ -	\$ -	\$ 18,793	\$ -	\$ 18,793
<b>TOTAL MWBE</b>	<b>\$ 9,544,037</b>	<b>\$ 820,650</b>	<b>\$ 10,254,819</b>	<b>\$ 870,458</b>	<b>\$ 21,489,964</b>
TOTAL NON-MWBE	\$ 68,044,805	\$ 18,909,914	\$ 148,566,128	\$ 44,344,917	\$ 279,865,764
<b>TOTAL FIRMS</b>	<b>\$ 77,588,842</b>	<b>\$ 19,730,563</b>	<b>\$ 158,820,947</b>	<b>\$ 45,215,375</b>	<b>\$ 301,355,727</b>
Business Ownership Classification	Construction	A&E Services	Other Services	Goods	Total
	(%)	(%)	(%)	(%)	(%)
African American	0.06%	1.46%	3.85%	0.16%	2.16%
Asian American	4.81%	2.62%	0.88%	0.00%	1.87%
Hispanic American	3.39%	0.00%	0.02%	0.02%	0.89%
Native American	0.84%	0.00%	0.00%	0.00%	0.22%
<b>TOTAL MINORITY</b>	<b>9.10%</b>	<b>4.09%</b>	<b>4.75%</b>	<b>0.18%</b>	<b>5.14%</b>
Nonminority Female	3.20%	0.07%	1.69%	1.75%	1.98%
Unidentified MWBE	0.00%	0.00%	0.01%	0.00%	0.01%
<b>TOTAL MWBE</b>	<b>12.30%</b>	<b>4.16%</b>	<b>6.46%</b>	<b>1.93%</b>	<b>7.13%</b>
TOTAL NON-MWBE	87.70%	95.84%	93.54%	98.07%	92.87%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**FINDING 5: MWBE TOTAL UTILIZATION**

As shown in Table 4 below minority owned firms received \$7.6 million during the Study Period, 9.68% of the total Construction Services paid to prime and subcontractor dollars, while Nonminority Female owned

# News Release

EMBARGOED UNTIL RELEASE AT 8:30 a.m. EST, Thursday, December 7, 2023

BEA 23-60

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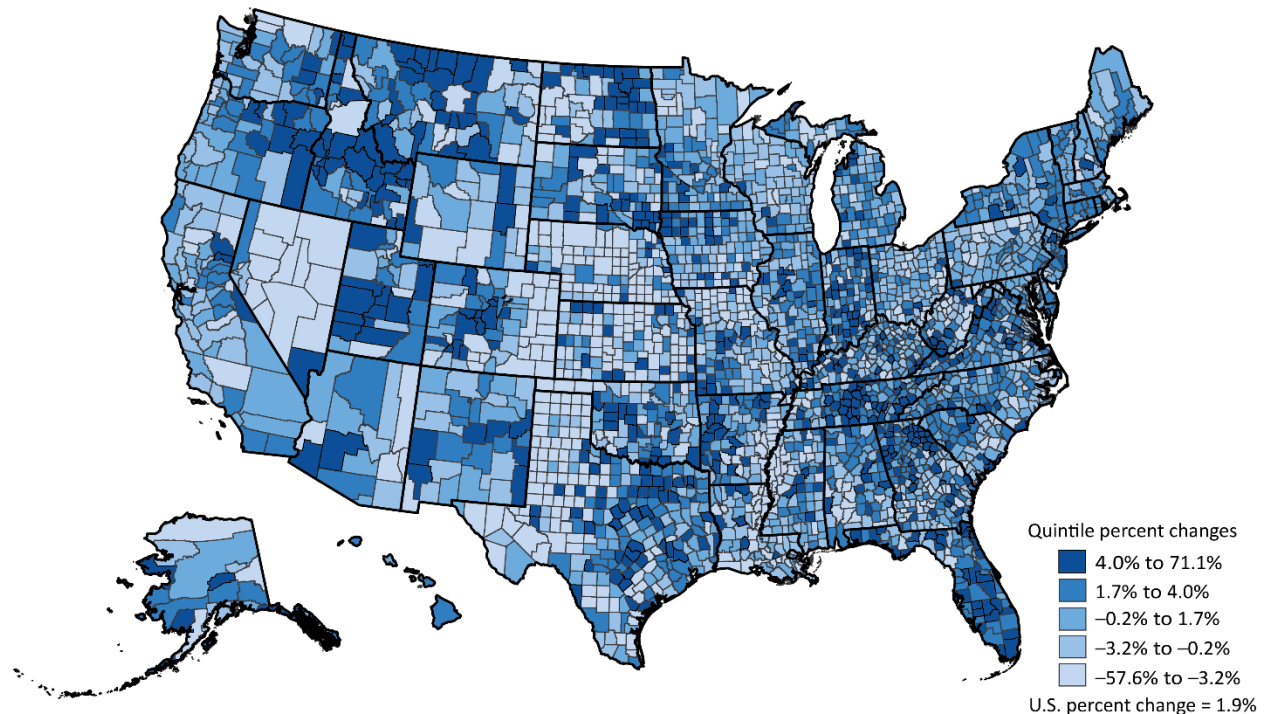
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## Gross Domestic Product by County and Metropolitan Area, 2022

**Real gross domestic product (GDP)** increased in 1,780 counties, decreased in 1,296 counties, and was unchanged in 38 counties in 2022, according to estimates released today by the U.S. Bureau of Economic Analysis (BEA). The percent change in real GDP ranged from 71.1 percent in Chouteau County, MT, to -57.6 percent in Kiowa County, CO (table 1).

Real GDP: Percent Change for Counties, 2021-2022



U.S. Bureau of Economic Analysis

GDP is the value of final goods and services produced within a county. The size of a county's economy as measured by GDP varies considerably across the United States. In 2022, the total level of real GDP ranged from \$11.4 million in Arthur County, NE, to \$790.0 billion in Los Angeles County, CA.

**Table 1A. Total Resident Population for Maryland's Jurisdictions, April 1, 2020 Thru July 1, 2023**

	Census	Estimate	Estimate	Estimate	Estimate
	Estimates Base				
State/Jurisdiction	4/1/2020	7/1/2020	7/1/2021	7/1/2022	7/1/2023
<b>Maryland</b>	<b>6,177,253</b>	<b>6,173,689</b>	<b>6,175,045</b>	<b>6,163,981</b>	<b>6,180,253</b>
<b>Baltimore Region</b>	<b>2,794,647</b>	<b>2,792,635</b>	<b>2,792,297</b>	<b>2,783,093</b>	<b>2,781,808</b>
Anne Arundel	588,270	589,106	592,085	593,347	594,582
Baltimore	854,554	853,387	850,691	845,986	844,703
Carroll	172,895	172,941	174,313	175,472	176,639
Harford	260,922	261,230	263,302	263,815	264,644
Howard	332,316	332,814	335,328	335,366	336,001
Baltimore City	585,690	583,157	576,578	569,107	565,239
<b>Suburban Washington Region</b>	<b>2,300,990</b>	<b>2,299,055</b>	<b>2,293,291</b>	<b>2,287,587</b>	<b>2,299,295</b>
Frederick	271,710	272,786	280,647	287,540	293,391
Montgomery	1,062,065	1,060,904	1,056,193	1,053,067	1,058,474
Prince George's	967,215	965,365	956,451	946,980	947,430
<b>Southern Maryland Region</b>	<b>373,187</b>	<b>373,655</b>	<b>377,810</b>	<b>379,453</b>	<b>381,982</b>
Calvert	92,789	92,915	94,233	94,559	94,728
Charles	166,621	166,741	168,927	170,111	171,973
St. Mary's	113,777	113,999	114,650	114,783	115,281
<b>Western Maryland Region</b>	<b>251,619</b>	<b>251,455</b>	<b>251,588</b>	<b>251,111</b>	<b>251,509</b>
Allegany	68,108	67,960	67,687	67,266	67,273
Garrett	28,807	28,798	28,758	28,588	28,423
Washington	154,704	154,697	155,143	155,257	155,813
<b>Upper Eastern Shore Region</b>	<b>243,613</b>	<b>243,711</b>	<b>245,407</b>	<b>247,126</b>	<b>248,899</b>
Caroline	33,292	33,270	33,429	33,427	33,593
Cecil	103,724	103,800	104,056	104,870	105,672
Kent	19,198	19,120	19,244	19,295	19,303
Queen Anne's	49,876	50,033	50,922	51,720	52,508
Talbot	37,523	37,488	37,756	37,814	37,823
<b>Lower Eastern Shore Region</b>	<b>213,197</b>	<b>213,178</b>	<b>214,652</b>	<b>215,611</b>	<b>216,760</b>
Dorchester	32,529	32,530	32,594	32,583	32,879
Somerset	24,615	24,561	24,546	24,608	24,910
Wicomico	103,588	103,565	104,114	104,486	104,800
Worcester	52,465	52,522	53,398	53,934	54,171

Source: Population Division, U.S. Census Bureau, release date March 2024

Prepared by the Maryland Department of Planning, Projections and State Data Center Unit, March 2024

Table 1. Real Gross Domestic Product, by County, 2019–2022

	Real gross domestic product					Percent change from preceding period			
	Thousands of chained (2017) dollars				Rank in state	Percent change			Rank in state
	2019	2020	2021	2022	2022	2020	2021	2022	2022
Winn	455,688	482,766	527,798	531,077	48	5.9	9.3	0.6	16
<b>Maine</b>	<b>66,351,151</b>	<b>67,420,598</b>	<b>70,869,930</b>	<b>72,413,523</b>	--	<b>1.6</b>	<b>5.1</b>	<b>2.2</b>	--
Androscoggin	4,811,181	5,018,298	5,044,783	4,975,728	5	4.3	0.5	-1.4	14
Aroostook	2,574,766	2,606,029	2,599,922	2,633,769	7	1.2	-0.2	1.3	9
Cumberland	22,603,000	23,298,915	24,945,935	25,706,204	1	3.1	7.1	3.0	4
Franklin	1,107,223	1,119,554	1,124,108	1,085,180	14	1.1	0.4	-3.5	16
Hancock	2,615,758	2,452,614	2,615,896	2,694,161	6	-6.2	6.7	3.0	5
Kennebec	5,810,662	5,854,307	6,204,142	6,281,131	4	0.8	6.0	1.2	10
Knox	1,923,446	1,855,140	1,953,915	2,010,661	9	-3.6	5.3	2.9	6
Lincoln	1,257,829	1,185,202	1,273,690	1,333,169	13	-5.8	7.5	4.7	2
Oxford	1,720,119	1,769,583	1,797,210	1,800,279	10	2.9	1.6	0.2	12
Penobscot	6,762,485	6,783,030	7,003,554	7,141,018	3	0.3	3.3	2.0	8
Piscataquis	545,062	607,670	605,552	602,110	16	11.5	-0.3	-0.6	13
Sagadahoc	1,721,282	1,817,756	2,174,938	2,369,611	8	5.6	19.6	9.0	1
Somerset	1,680,232	1,764,016	1,747,410	1,757,724	11	5.0	-0.9	0.6	11
Waldo	1,439,870	1,416,690	1,477,812	1,536,413	12	-1.6	4.3	4.0	3
Washington	1,066,649	1,094,157	1,094,552	1,070,328	15	2.6	0.0	-2.2	15
York	8,709,944	8,780,741	9,224,713	9,451,612	2	0.8	5.1	2.5	7
<b>Maryland</b>	<b>402,346,194</b>	<b>388,532,286</b>	<b>405,905,303</b>	<b>412,282,552</b>	--	<b>-3.4</b>	<b>4.5</b>	<b>1.6</b>	--
Allegany	3,066,344	2,857,439	2,830,897	2,708,986	17	-6.8	-0.9	-4.3	23
Anne Arundel	50,256,244	48,568,269	51,162,190	51,814,364	3	-3.4	5.3	1.3	9
Baltimore	54,773,560	51,971,826	54,031,025	54,869,055	2	-5.1	4.0	1.6	8
Calvert	4,449,274	4,510,387	4,162,937	4,172,196	15	1.4	-7.7	0.2	16
Caroline	1,193,522	1,064,628	1,210,357	1,247,049	21	-10.8	13.7	3.0	5
Carroll	6,460,183	6,076,395	6,231,087	6,285,057	11	-5.9	2.5	0.9	12
Cecil	4,811,135	4,754,756	4,896,274	5,055,208	14	-1.2	3.0	3.2	3
Charles	6,031,473	5,739,215	5,874,961	5,884,327	12	-4.8	2.4	0.2	17
Dorchester	1,291,430	1,274,627	1,376,580	1,392,173	20	-1.3	8.0	1.1	11
Frederick	14,085,158	13,459,401	14,265,785	14,379,015	7	-4.4	6.0	0.8	13
Garrett	1,290,622	1,269,546	1,328,812	1,244,145	22	-1.6	4.7	-6.4	24
Harford	13,286,042	12,986,893	13,427,074	13,275,589	8	-2.3	3.4	-1.1	18
Howard	27,549,464	27,325,666	28,968,473	28,625,939	6	-0.8	6.0	-1.2	19
Kent	962,273	913,575	931,898	896,847	24	-5.1	2.0	-3.8	21
Montgomery	91,753,090	89,002,356	92,605,105	93,746,007	1	-3.0	4.0	1.2	10
Prince George's	46,392,722	44,430,794	46,256,758	47,313,611	5	-4.2	4.1	2.3	7
Queen Anne's	1,905,006	1,754,622	2,050,122	1,970,524	19	-7.9	16.8	-3.9	22
St. Mary's	7,535,678	7,859,546	7,844,387	7,671,853	9	4.3	-0.2	-2.2	20
Somerset	817,971	792,931	847,677	981,077	23	-3.1	6.9	15.7	1
Talbot	2,060,247	1,891,937	1,978,278	1,993,065	18	-8.2	4.6	0.7	14
Washington	7,064,113	6,609,758	7,106,593	7,150,408	10	-6.4	7.5	0.6	15
Wicomico	5,024,676	4,903,031	5,278,008	5,439,581	13	-2.4	7.6	3.1	4
Worcester	2,834,764	2,547,132	2,913,660	2,994,254	16	-10.1	14.4	2.8	6
Baltimore City	47,452,079	45,985,408	48,360,542	51,194,064	4	-3.1	5.2	5.9	2
<b>Massachusetts</b>	<b>566,706,170</b>	<b>556,196,418</b>	<b>591,911,488</b>	<b>604,357,731</b>	--	<b>-1.9</b>	<b>6.4</b>	<b>2.1</b>	--
Barnstable	13,537,095	12,654,827	13,490,964	13,771,725	9	-6.5	6.6	2.1	3
Berkshire	6,998,340	6,766,260	6,896,795	6,927,750	11	-3.3	1.9	0.4	10
Bristol	26,645,826	25,819,946	27,449,005	27,281,600	6	-3.1	6.3	-0.6	13
Dukes	1,469,628	1,407,779	1,445,253	1,453,109	13	-4.2	2.7	0.5	8
Essex	46,020,521	43,992,053	46,565,610	47,094,918	4	-4.4	5.9	1.1	7
Franklin	2,917,567	2,913,131	2,877,170	2,835,214	12	-0.2	-1.2	-1.5	14
Hampden	22,784,592	22,263,246	23,241,880	23,213,480	8	-2.3	4.4	-0.1	12
Hampshire	7,838,147	7,472,707	7,567,556	7,702,689	10	-4.7	1.3	1.8	5
Middlesex	174,052,620	174,861,873	188,703,914	190,978,324	1	0.5	7.9	1.2	6
Nantucket	1,351,160	1,251,479	1,378,384	1,384,714	14	-7.4	10.1	0.5	9
Norfolk	54,657,040	52,754,957	55,422,410	57,045,702	3	-3.5	5.1	2.9	2
Plymouth	26,619,396	25,051,382	26,633,983	26,619,904	7	-5.9	6.3	-0.1	11
Suffolk	137,817,167	136,032,512	145,017,316	151,982,653	2	-1.3	6.6	4.8	1
Worcester	44,035,944	43,083,909	45,449,132	46,308,136	5	-2.2	5.5	1.9	4
<b>Michigan</b>	<b>517,845,213</b>	<b>502,483,729</b>	<b>531,499,956</b>	<b>539,898,171</b>	--	<b>-3.0</b>	<b>5.8</b>	<b>1.6</b>	--
Alcona	221,851	218,075	227,555	233,463	78	-1.7	4.3	2.6	18

**Table 1. Real Gross Domestic Product, by County,**

Source: Bureau of Economic Analysis	Real gross domestic product					Calculations: GDP Per Capita		
	Thousands of chained (2017) dollars				Rank in state	Population (US Census)	Per Capita	Rank in state
	2019	2020	2021	2022	2022	2022 ACS	2022 GDP	2022
<b>Maryland</b>	<b>402,346,194</b>	<b>388,532,286</b>	<b>405,905,303</b>	<b>412,282,552</b>	--	<b>6,177,253</b>	<b>66,742</b>	--
Allegany	3,066,344	2,857,439	2,830,897	2,708,986	17	68,108	39,775	20
Anne Arundel	50,256,244	48,568,269	51,162,190	51,814,364	3	588,270	88,079	2
Baltimore	54,773,560	51,971,826	54,031,025	54,869,055	2	854,554	64,208	6
Calvert	4,449,274	4,510,387	4,162,937	4,172,196	15	92,789	44,964	16
Caroline	1,193,522	1,064,628	1,210,357	1,247,049	21	33,292	37,458	22
Carroll	6,460,183	6,076,395	6,231,087	6,285,057	11	172,895	36,352	23
Cecil	4,811,135	4,754,756	4,896,274	5,055,208	14	103,724	48,737	13
<b>Charles</b>	<b>6,031,473</b>	<b>5,739,215</b>	<b>5,874,961</b>	<b>5,884,327</b>	<b>12</b>	<b>166,621</b>	<b>35,316</b>	<b>24</b>
Dorchester	1,291,430	1,274,627	1,376,580	1,392,173	20	32,529	42,798	18
Frederick	14,085,158	13,459,401	14,265,785	14,379,015	7	271,710	52,920	9
Garrett	1,290,622	1,269,546	1,328,812	1,244,145	22	28,807	43,189	17
Harford	13,286,042	12,986,893	13,427,074	13,275,589	8	260,922	50,880	11
Howard	27,549,464	27,325,666	28,968,473	28,625,939	6	332,316	86,141	4
Kent	962,273	913,575	931,898	896,847	24	19,198	46,716	14
Montgomery	91,753,090	89,002,356	92,605,105	93,746,007	1	1,062,065	88,268	1
Prince George's	46,392,722	44,430,794	46,256,758	47,313,611	5	967,215	48,917	12
Queen Anne's	1,905,006	1,754,622	2,050,122	1,970,524	19	49,876	39,508	21
St. Mary's	7,535,678	7,859,546	7,844,387	7,671,853	9	113,777	67,429	5
Somerset	817,971	792,931	847,677	981,077	23	24,615	39,857	19
Talbot	2,060,247	1,891,937	1,978,278	1,993,065	18	37,523	53,116	8
Washington	7,064,113	6,609,758	7,106,593	7,150,408	10	154,704	46,220	15
Wicomico	5,024,676	4,903,031	5,278,008	5,439,581	13	103,588	52,512	10
Worcester	2,834,764	2,547,132	2,913,660	2,994,254	16	52,465	57,071	7
Baltimore City	47,452,079	45,985,408	48,360,542	51,194,064	4	585,690	87,408	3