



FREDERICK COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

Jan H. Gardner
County Executive

Rick Harcum, Chief Administrative Officer

December 2021

Dear Council President Keegan-Ayer and Council Members,

I am pleased to present the annual report for 2021 along with the Annual Comprehensive Financial Report (ACFR), which will be formally presented to the County Council on December 21, 2021.

Frederick County has an amazing story to tell, reflecting accomplishment, strength and celebration. Frederick County's resilience has been demonstrated by our people, our businesses, our non-profit human serve agencies, and our community funders to help our community recover, renew and rise from the ongoing pandemic.

Working together, we focus on our bright future and all the things that make Frederick County a great place to live, work, raise a family, and call home.

HEALTH

Frederick County focused on protecting the community's health and well-being, as we dealt with the lingering impacts from the Covid-19 pandemic. Good health is fundamental to having a high quality of life and is a primary responsibilities of local government.

- Along with community partners, the Frederick County Health Department has provided free COVID testing and offered vaccines through high-volume clinics at Frederick Community College and our Oak Street location. Over 93% of people over 65 are fully vaccinated and over 80% of adults over the age of 18. The Frederick County Health Department administered a total of 91,214 COVID-19 vaccinations in 2021, including 1st, 2nd, single and additional or booster doses. Pop-up clinics for testing and vaccines were offered in rural communities and at community events around the county to meet people where they live.

- This year, we permanently converted a temporary COVID-19 testing site in the Hillcrest/Golden Mile area to a full-time satellite office of the Frederick County Health Department. This location makes it easier for underserved populations to have access to screenings and other vital health resources.

Frederick County: Rich History, Bright Future

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- Frederick County Government provided resources to the Mental Health Association to accommodate the expansion of walk-in services to help meet the significant increase in demand for mental health services.
- A significant accomplishment was implementing a 24/7 Mobile Crisis Unit, which brings social workers and mental health experts to emergency calls for help. Mobile Crisis has been welcomed and embraced by our law enforcement agencies, and better outcomes for people have been documented.
- Mountain Manor at Marcie's Choice, a medically supervised detox service, opened in 2021. Providing these services locally makes a big difference to people facing the challenges of substance misuse and addiction.
- The Frederick County Health Department is just beginning to engage Black mothers through a grassroots group of moms to take steps to improve maternal health outcomes and address health disparities. Along with community partners, a community health assessment will soon be completed.

PEOPLE & SERVICES

Frederick County Government provides essential services and resources to our community with a focus to be making life better for people:

- **Safe Communities:** Residents can count on fire and EMS, law enforcement, 9-1-1 and all our public safety partners to be on the job to keep our community safe. Our Division of Fire and Rescue Services responded to 36,933 calls for service through December 13, 2021. The Division of Emergency Management answered 94,997 calls to 9-1-1 and an additional 608 text-to-911 sessions. To recognize our first responders, union contracts were fully funded to improve pay for firefighters, Sheriff Deputies, and corrections staff.
- **Feeding Frederick:** The generosity of our community funders, non-profits, faith-based organizations and many others provided food at over 80 distribution locations all around



the county to make sure families, children and seniors would have needed nutrition. Our Senior Services Division delivered groceries to seniors and expanded food delivery by over 600%.

- **Public Libraries:** Library services continue to be in high demand, as the library system pivoted to expand digital content, online programming and story times, and curbside pick-up. The statistics this year were amazing: 2.3 million items checked out in person and digitally, including more than half a million items picked up curbside. The library hosted over 140,000 Wi-Fi sessions, and issued 12,500 new library cards. Close to half of all county residents are active library users!
- **Parks and Recreation:** Frederick County parks are a great place to enjoy outdoors and nature. This year set a new record, as people relied on parks and trails to stay active during the pandemic. More than 4.5 million visitors came to a county park in the past year. That's nearly double the number of visitors the year before! Our Parks and Recreation team expanded new programs and added new park amenities, including the completion of the 4-mile Ballenger Creek Trail and the opening of the county's first adaptive community gymnasium at Rock Creek School.
- **Technology:** Our Interagency Information Technologies Division kept everyone working remotely and virtually. This transition was seamless. IIT staff also supported all the online portals and applications for grants for rental assistance, Jump Start grants for businesses and farm operations, and child care grants.
- **Frederick County Government gets it done!** I am particularly proud of Frederick County Government employees who work hard each and every day to make life better for people and to ensure our high quality of life. These dedicated and trusted public servants have risen to the challenges from the coronavirus pandemic to keep our community healthy and safe and have demonstrated amazing creativity, resilience and an enduring commitment to our residents and our community. TransIT, Public Works, Animal Control, Water and Sewer Utilities and many other divisions have provided efficient and effective services.



We are grateful to our federal partners for providing federal coronavirus relief funding, which helps fund our public health response to the virus, as well as supports people and businesses to recover.

PLANNING & PRESERVATION

How Frederick County grows and changes has and will continue to be of great interest to our residents, who clearly value our rich history, our agricultural heritage, our cultural amenities and our high quality of life. Livable Frederick is our roadmap to secure a bright future, allowing our community to grow and our economy to diversify, while protecting what we love and value.



In 2021, the county made significant progress to preserve our agricultural land, to protect rural historic and cultural resources and to initiate an area plan to protect and preserve one of our most treasured landscapes.

- **Sugarloaf Treasured Landscape Plan:** One of the most treasured and valued landscapes in Frederick County is the area around Sugarloaf Mountain. The draft Sugarloaf Plan proposes a conservation overlay to protect and preserve the sensitive environmental features and natural resources on 17,000 acres, ensuring the area around Sugarloaf Mountain is protected for generations to come. The Sugarloaf Plan provides a fresh approach to protect sensitive environmental and natural resources that surround a treasured landscape. The Sugarloaf Plan is in the midst of a lengthy public process with many opportunities for public engagement.
- **The South Frederick Corridors Plan** was initiated this year to facilitate redevelopment in Frederick County's primary business core. The planning area includes commercial and industrial land along Urbana Pike (MD 355) and Buckeystown Pike (MD 85). This area is home to 20% of the county's jobs, 15% of the county's business establishments, and 15% of the total wages generated in the county. A draft plan will be released for public discussion in the coming months.

Preservation:

A key new initiative introduced this year was our **Rural Historic Preservation Grant Program**. Rural Historic Preservation Grants invest in protecting historic structures and cultural features outside of our urban core. These include historic homes, bank barns and ice houses, historic schools and churches, and more. The program also encourages the creation of Rural Historic Preservation districts. The interest in the Rural Historic Preservation Grants has been overwhelmingly positive.

This year, we kicked off an effort to refresh and renew our **Rural Roads Program** to focus not just on the roadways but the connection between historic places and agricultural tourism, such as our farm breweries and wineries. Protecting these rural and scenic roadways while keeping them safe for the traveling public both preserves and promotes the rural beauty of Frederick County.

We launched the first-ever **Agriculture Innovation Grant Program** this year to help farmers diversify, with ideas for value-added products and services coming from farmers themselves. In our first two cycles of Agriculture Innovation Grants, Frederick County awarded \$504,000 to 25 farms and other agricultural operations. Initial grants have funded new freezers to allow farms to sell beef by the cut; farm marker stands; a pavilion for flower arranging; dairy/creamery truck; and more. As a result of this investment, we anticipate the creation of 37 full-time and 42 part-time new farm-worker positions.



Leaving a legacy of agriculture means not only making sure that agriculture remains an economically viable industry, but preserving our best and most productive farm land for future farming. This year our agriculture preservation initiatives have significantly accelerated, adding more than 2,800 acres in the past year. We have now preserved over 70,000 acres of farmland. Preserving our rich agricultural heritage and its economic vitality secures a bright future for all of Frederick County.

EQUITY

We continue our efforts to make diversity, equity and inclusion a priority. We are confident that a united, equitable and just Frederick County is a worthy and achievable goal. This year we formally created the Office of Equity and Inclusion and created an advisory committee to ensure an ongoing community voice. We have selected a consultant to evaluate our workplace environment and our efforts to attract and retain a more diverse workforce and ensure a culture of inclusion within county government.

Our minority business outreach and leadership development efforts have expanded and a team of committed staff is working on a dashboard project through our membership in the Government Alliance on Race and Equity.

The County is also invested in acknowledging and telling the stories of our history. We are proud of our investment in the African American Resources Cultural Heritage Society's new Heritage Center to preserve and share the history of African Americans in Frederick County.

Another way we are advancing equity is through the creation of an Immigrant Affairs Commission. We want to ensure our newest community members have a seat at the table so we can hear their perspectives and unique experiences.

EDUCATION

We know outstanding public education lifts our students, their families, our property values and ensures our long-term economic prosperity by delivering a well-educated pipeline of workers for the future. The FY22 budget made the largest single-year investment in public education, providing \$21.5 million above the Maintenance of Effort level, the minimum level required by state law. This investment will ensure student success and support our educators in their efforts to address the educational challenges of the COVID-19 pandemic.

Education is the path to future prosperity and is fundamental to our community's recovery from the pandemic. This investment, along with the state's implementation of the Blueprint for Education, means we will be able to advance and target educational programming to meet the needs of our more than 44,000 students and their families.

Providing adequate school facilities and addressing school overcrowding remains a top priority of my administration. School construction and renovation projects continue to move forward in spite of supply chain challenges and the pandemic. In August, a beautiful modern Rock Creek School in Walkersville opened to serve students with special needs. Our 69th school, the brand new Blue Heron Elementary School, opened for students this year along with an addition to Oakdale Middle School to address school overcrowding on the east side of the county. Several other school construction projects are advancing to address school overcrowding and to modernize facilities, including a new replacement Waverley Elementary School; a new Brunswick Elementary School; an addition to Crestwood Middle School; and a limited renovation to Thurmont Elementary School.

Frederick County is fortunate to have outstanding institutions of higher education. Frederick Community College was allocated an additional \$1.5 million in FY22 to help keep tuition low and college accessible. This investment helps young adults and people of all ages to re-tool their skills and advance their education for new job opportunities in a post-pandemic world.

Frederick County Public Schools and Frederick Community College have developed a model dual enrollment program that allows students to earn college credit and even an associate degree while they are in high school! The independent University Headquarters recently ranked Frederick



Community College second in a list of best community colleges in Maryland to earn an associate degree – another awesome recognition!

ECONOMY

Frederick County is blessed with a diverse and strong economy that has proven to be incredibly resilient. Not only did Frederick County weather the storm over the past year and a half, we actually experienced strong and stable growth, including in the life science and technology sectors, robust construction, stable manufacturing, and an incredible amount of new economic development interest.

Job Growth: Even during a pandemic, we saw new businesses launch, existing businesses expand, and new companies relocate to Frederick County:

- In May, an Australian company, Ellume, announced plans to open their first manufacturing facility in the United States right here in our Route 85 business corridor. Over time, Ellume will add about 1,500 jobs making diagnostic kits for infectious diseases, including at-home tests for COVID-19.
- Quantum Loophole announced plans to create a first-of-its-kind environmentally sensitive data center campus on more than 2,000 acres that once housed Eastalco. This will be the largest data center campus of its kind in the country. They are committed to being a good community partner and will help to expand a new industry sector in our community.
- Kroger Ocado's new grocery distribution facility is well under-construction and will add between 400 and 500 new jobs, many in engineering to support their high-tech robotics operation.
- Costco expanded its e-commerce operation, adding over 170,000 square feet of new fulfillment space. They expect to add up to 250 new jobs.
- New Life Science companies include Tonix Pharmaceuticals, which will focus on vaccine development; Modavar Pharmaceuticals, which supplies formulations for manufacturing processes; StageBio which will provide pre-clinical and clinical histology, pathology and image analysis, as well as specimen storage; and Signagen, which is a bio-reagent manufacturer.
- We also saw an expansion at Thermo Fischer and the development of three business innovation centers, including VaLogic, Ballenger Bio and I-270 Innovation Labs.

- Kite Pharma celebrated the official opening of their new state-of-the-art facility in Urbana, where they will offer personalized cancer treatment therapies. The work is cutting edge. The possibility of finding the cure for some types of cancer right here in Frederick County is incredibly exciting and fits our mission to make life better for people.



Our economy is in a much better place than it was a year ago, but we know some business sectors continue to struggle, particularly in hospitality, tourism, and arts and entertainment. Frederick County will continue to strengthen the foundations of our economy and build upon the mix of industry clusters that have enabled us to sustain the diversity of our industry and employment base.

Moving forward, we will prioritize workforce development and support of the childcare industry so more people can get back to work. One exciting opportunity we are pursuing is a mobile workforce development van. This Mobile Career Center will bring technology and training for job searches to the rural areas of our county so we meet people where they are and provide services to people who may not have access to reliable broadband or transportation. We are also working on plans to expand broadband to unserved and underserved parts of the county.

FINANCIAL STRENGTH

The COVID-19 public health crisis has had a major impact on us all. Frederick County's strong, diverse economy continues to be apparent, with revenues growing even during the pandemic, far exceeding initial expectations. Conservative budgeting and financial policies have allowed Frederick County to build our reserves to record levels. This forward thinking has given Frederick County the financial means to maintain our full range of services, support our schools, boost our local economy and help our constituents.

- The General Fund budget is based on existing tax rates for both County property taxes (\$1.06) and income taxes (2.96%). Property and income tax rates have remained constant for Fiscal Years 2016, 2017, 2018 2019, 2020, 2021 and 2022. There have been no tax rate increases.
- Because of our diverse business community and its resilience, the local unemployment rate was 4.3% as of October 2021, well below the State rate of 5.1% and the U.S. rate of 4.6% for the same period.
- The FY22 budget makes the largest single-year investment in public education. The budget provides \$21.5 million above the Maintenance of Effort level and maintains the County's

funding commitment to education and to provide an equivalent amount of funding for staff compensation.

- The County's AAA ratings from Fitch Ratings, Moody's Investors Service, and S&P Global Ratings were affirmed in September 2021 for the fifth time since June of 2016. The ratings reflect ongoing and consistent growth, primarily in the commercial sector; increased employment; tax base growth; strong, well-embedded and sustainable management practices coupled with established fiscal policies; and a low debt burden.



CONCLUSION

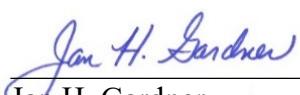
Frederick County is strong and resilient. Our fundamental strength is our people. We come together with shared values to solve problems, care for one other, seize opportunities, and advance new, innovative and creative ways to make life better for everyone.

The year's accomplishments and activities are outlined in a video presentation of the State of the County address. The video can be viewed at <https://youtu.be/jZvUKhCBfzQ>.

We are blessed with outstanding public schools, a safe community, and a fundamentally strong and diverse economy with a wide variety of jobs for the people who live here. Frederick County government is well-managed and our revenues and fiscal outlook is positive. We are investing in what matters – our people, education, public safety, and human needs – and living within our means and retaining our AAA bond rating.

We are all in it together, and together Frederick County is strong!

Sincerely,



Jan H. Gardner
Frederick County Executive

Attachments

2021 Legislation

Bill Number	Title	Sponsor	Date Adopted	Vote
21-01	Amending Chapter 1-19 of the Frederick County Code (Zoning Ordinance) to allow variances for nonconforming structure if certain conditions are met	Council President Keegan-Ayer (on behalf of CE)	03-02-2021	7-0
21-02	Amending Chapter 1-2 of the Frederick County Code (Kari's Law)	Council President Keegan-Ayer (on behalf of CE)	02-16-2021	7-0
21-03	Revisions to School Construction Fee	CMs McKay, Donald Hagen	05-18-2021	6-1
21-04	Pedestrians Rides or Business	CM Hagen	NOT ADOPTED	3-4
21-05	Retirement Plan Split	Council President Keegan-Ayer (on behalf of CE)	05-04-2021	7-0
21-06	Small Business Advisory Commission	CM Dacey	06-15-2021	7-0
21-07	Disabled Veterans Tax Credit	CMs McKay, Fitzwater, Hagen, Blue	05-25-2021	7-0
21-08	Fire and Rescue Services - Accreditation Standard Revision for Volunteer Companies	Council Vice President Blue	07-20-2021	7-0
21-09	Electric Vehicles	CM Hagen	11-16-2021	5-2
21-10	Establishing an Office of Equity and Inclusion and Equity and Inclusion Commission	CM Hagen (on behalf of CE)	10-19-2021	5-2
21-11	Frederick County Real Property Tax Credit	Council Vice President Blue	11-16-2021	6-1
21-12	Amend and Update Development Impact Fee and Public School Development Impact Fee	CM Donald		
21-13	Amend Elderly Individuals & Uniformed Service Members Property Tax	CMs McKay, Dacey, Hagen, Blue		

2021 Resolutions

- Application for Funding from the Maryland State FY 2021 CDBG - Resolution No. 21-01
- Summer 2020 Water and Sewer Amendment Case WS-20-01 - Resolution No. 21-02
- Summer 2020 Water and Sewer Amendment Case WS-20-02 - Resolution No. 21-03
- Summer 2020 Water and Sewer Amendment Case WS-20-04 - Resolution No. 21-04
- Summer 2020 Water and Sewer Amendment Case WS-20-06 - Resolution No. 21-05
- Transit Services Division's FY22 Grant Application Authorizing Resolution - Resolution No. 21-06

- Proposed Listing on Co. Register of Historic Places - Prosperity Farm - Resolution No. 21-07
- Establishment of Frederick County Redistricting Commission - Resolution No. 21-08
- Installment Purchase Agreement - Kennedy - Resolution No. 21-09
- Installment Purchase Agreement - Kennedy - Resolution No. 21-10
- Installment Purchase Agreement - Culler - Resolution No. 21-11
- Tax Levy for July 1, 2021 – June 30, 2022 - Resolution No. 21-12
- IPP & IPA Douglas & Laura Fornwald Property - Resolution No. 21-13
- IPP & IPA William & Regina Dinterman Property - Resolution No. 21-14
- Hamilton Station Affordable Housing PILOT - Resolution No. 21-15
- Fall 2020 Water and Sewer Amendment WS-20-07 - Resolution No. 21-16
- Fall 2020 Water and Sewer Amendment WS-20-08 - Resolution No. 21-17
- Fall 2020 Water and Sewer Amendment WS-20-09 - Resolution No. 21-18
- Fall 2020 Water and Sewer Amendment WS-20-10 - Resolution No. 21-19
- Fall 2020 Water and Sewer Amendment WS-20-11 - Resolution No. 21-20
- Support of the MEDAAF Conditional Loan for Ellume LTD. - Resolution No. 21-21
- Debt Policy Resolution for Frederick County, Maryland - Resolution No. 21-22
- General Obligation Public Refunding Bonds - Resolution No. 21-23
- Spring 2021 Water and Sewer Amendment 21-12 - Resolution No. 21-24
- Spring 2021 Water and Sewer Amendment 21-13 - Resolution No. 21-25
- Spring 2021 Water and Sewer Amendment 21-14 - Resolution No. 21-26
- Spring 2021 Water and Sewer Amendment 21-15 - Resolution No. 21-27
- Spring 2021 Water and Sewer Amendment 21-16 - Resolution No. 21-28
- Spring 2021 Water and Sewer Amendment 21-17 - Resolution No. 21-29
- Spring 2021 Water and Sewer Amendment 21-18 - Resolution No. 21-30
- Spring 2021 Water and Sewer Amendment 21-19 - Resolution No. 21-31
- Spring 2021 Water and Sewer Amendment 21-21 - Resolution No. 21-32
- Spring 2021 Water and Sewer Amendment 21-22 - Resolution No. 21-33
- Spring 2021 Water and Sewer Amendment 21-23 - Resolution No. 21-34

2021 Ordinances

- FY2022 Annual Budget and Appropriations - Ordinance No. 21-01-001
- Compensation Increase for the County Executive - Ordinance No. 21-02-002
- Compensation Increase for the County Council Members - Ordinance No. 21-03-003
- Amendment to the Annual Budget and Appropriations Ordinance of FC, MD - Ordinance No. 21-04-004

2021 Board of Health Resolutions

BOH 01-2021