

JOHN   
**CARNEY**  
G O V E R N O R

**ECONOMIC DEVELOPMENT  
POLICY**



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**Today in Delaware, we're facing an economic future that will look very different from our past. When I was growing up in Claymont, it seemed like every other driveway on my street had a car going to work at DuPont in the morning. The parents of my friends were welders at Edgemoor or secretaries downtown. Other neighbors worked at the steel mill, or the GM plant on Boxwood Road. Today, many of those jobs are gone. We need to provide Delawareans with well-paying middle class jobs of the future as we strengthen our current economic base in manufacturing and financial services.**

Clearly, the future of Delaware's economy is an innovation, start-up economy. I want Delaware to not only be the First State when it comes to incorporating a company, but also the First State when it comes to growing a company. That means having a thriving financial services sector that creates jobs in technology. It means keeping our uniquely talented workforce in the fields of bio-science and sustainable chemistry. And it requires a robust entrepreneurial economy housed at sites like the colN Loft, the Mill, 1313 Innovation, and the New Castle County Chamber of Commerce's Emerging Enterprise Center, where Delawareans are developing new technologies to bring to the market place.

The role of government in promoting a strong economy is to create an environment where businesses can thrive and invest in Delaware. That means moving faster than any other state when it comes to helping locate or grow a business that will create good jobs. And it includes a regulatory environment that is fair, thoughtful and timely. Delaware's current regulatory structure rests on a 40-year-old patchwork of inconsistent and often inefficient mechanisms that I would modernize and streamline as Governor.

Of course, the real key to our economic future is our people. As businesses compete for the best employees, they will go and grow where the talent is. We need a workforce second to none.

## **AS GOVERNOR, I WOULD PRIORITIZE:**

- I. Creating new "old" jobs**
- II. Building Delaware's innovation economy**
- III. Strengthening Delaware's world-class workforce**
- IV. Cutting red tape that stifles economic growth**
- V. Growing Delaware's agriculture economy**

## I. Creating New "Old" Jobs

The security of every Delaware family depends on good-paying jobs. Delaware's economic landscape has changed drastically over the last decade, with key manufacturers leaving our state and the DuPont merger with Dow shaking the very identity of Delaware's economy. Delawareans are right to worry about our economy in transition. But that transition also makes us focus on our strengths, and where we need to improve, as we build the Delaware economy of the future.

We need to start by taking advantage of the resources we already have. Former industrial sites like the Chemours Edgemoor facility, the Claymont Steel mill, and the former General Motors plant, are ripe for redevelopment. As governor, I would focus on repurposing these sites into new "old" jobs, like in advanced manufacturing and logistics. The state needs to be aggressive in pursuing every opportunity to create these types of jobs and in training workers to fill them. For instance, the state has an opportunity right now to take advantage of the Delaware River deepening by expanding our port facilities and creating thousands of jobs. Delaware's workers are exactly the kind of talented, hard-working, knowledgeable labor force a company needs. They are by far our strongest asset in convincing employers to locate here.

As Governor, I will:

### REVITALIZE OLD ABANDONED INDUSTRIAL SITES

Delaware has a long history of manufacturing, from the DuPont Company's start making gunpowder on the Brandywine River in the 1800s, to the automobile plants that employed tens of thousands of Delawareans in the last half of the last century. Unfortunately, as Delaware's economy has evolved, many of these former manufacturing sites have been abandoned. Several contain residual pollution that makes it difficult for potential buyers to redevelop them.

This presents an opportunity on two fronts. I want to repurpose these former industrial sites in a way that protects the environment and puts Delawareans back to work. In some cases, this may mean **making responsible adjustments to existing regulations**. In others, it may mean **expanding or encouraging the use of the Brownfields program to incentivize the purchase and clean-up of these sites**. The former General Motors plant on Boxwood Road outside of Wilmington and the old Claymont Steel facility are examples of the type of sites I believe we should clean up and turn into new centers of employment. **I will direct DEDO to prioritize converting these old industrial sites into jobs for Delaware's blue collar workforce.**



## EXPAND THE PORT OF WILMINGTON

The Port of Wilmington has provided good-paying middle class jobs for nearly a century. The deepening of the Delaware River also provides the opportunity for increased traffic into the port. The bad news is that Delaware's current port is almost at capacity. In order to take advantage of the new business that could flow through the port in the coming years, I believe the Port of Wilmington needs to maintain its current operations, expand onto the Delaware River, and create new jobs.

The Port is currently in negotiations to purchase the former Chemours facility at Edgemoor, and is seeking investment opportunities for expansion at the Riveredge Industrial Park near the Delaware Memorial Bridge. As Governor, I will **support expanding Delaware's existing port operations.**

## SUPPORT TRADITIONAL SMALL BUSINESSES, ESPECIALLY WOMEN- AND MINORITY-OWNED BUSINESSES

Small businesses are the backbone of Delaware's economy. Ninety-three percent of Delaware's businesses are small businesses, and 45 percent of Delaware workers are employed by a small business. Maintaining a climate where small businesses can thrive and expand is critical to Delaware's success. As governor, I would pay particular attention to the impediments small businesses face to being successful.

**Each member of my cabinet will make certain that each agency within his or her department will develop and maintain a Supplier Diversity Action Plan:** The goal of the Supplier Diversity Action Plan is to maximize the contracting opportunities for minority-owned, women-owned and small businesses that want to engage in business relations with state agencies.

The Delaware Small Business Development Center at the University of Delaware plays an important role in helping small businesses form, market their services, and grow. I will **create a satellite center in Wilmington**, our commercial center, to help encourage businesses to bring jobs and economic activity to our state's largest city.



## II. BUILDING DELAWARE'S INNOVATION ECONOMY

As important as traditional, middle class jobs are to Delaware's workforce, the next governor must also position the state for economic success well into the future. Technology is revolutionizing just about every industry. And the states in the best position to compete for the jobs that are being created will be the ones that embrace innovation, invest in startups and entrepreneurs, and develop a highly skilled workforce.

Delaware has come a long way recently in building the infrastructure to support startups, small businesses, and entrepreneurs. But there's much more we can do. We have to build on this momentum to retain the many talented employees we have, attract more growing businesses to the state, and build a stronger, entrepreneurial community in Delaware.

As Governor, I will:

### **RESTRUCTURE THE DELAWARE ECONOMIC DEVELOPMENT OFFICE TO BE MORE ENTREPRENEURIAL AND PROACTIVE**

For generations, Delaware's economy has transitioned from one big employer or industry to the next: DuPont, manufacturing, financial services. In many ways, DEDO's focus on business retention and recruitment follows this model. Significant resources are put toward competing with cities and states across the nation to attract the next major employer looking to make a change. These opportunities are important when they come up. But the foundations of a 21st century economy aren't rooted in one industry or employer. I believe DEDO needs to be more responsive to the needs of Delaware's entrepreneurs. As Governor, I will **create entrepreneur liaisons that focus on outreach to the entrepreneur community, and help those looking to start or expand a business navigate state requirements and understand the state resources available to them.**

### **DIRECT DEDO TO CREATE A NEW, TARGETED MARKETING STRATEGY THAT BUILDS ON DELAWARE'S ECONOMIC STRENGTHS AND HIGHLIGHTS OPPORTUNITIES FOR ENTREPRENEUR INVESTMENT AND JOB CREATION.**

Delaware has a strong economic base in industries like financial services, tourism, agriculture, bio-science, and cybersecurity. Embracing and enhancing innovation will help Delaware create centers of excellence in these industries. These opportunities, as well as our state's very friendly business environment, a vibrant arts scene, a strategic location, and a lower cost of living compared to other states will bring Delaware's economy into the 21st century. We need to tell this story better, and as Governor, I will make that a priority. A big part of this story is about Delaware's tourism industry, especially in Sussex County. I would direct DEDO to promote our beaches as both a tourism destination, and a reason for businesses to locate here. From the changes along Market Street and the Riverfront in Wilmington, to the music festivals like Firefly, and the quiet beauty of our National Park locations, we have so much to offer our neighboring states and the nation

### **DEVELOP STRONGER PARTNERSHIPS BETWEEN GOVERNMENT, PRIVATE BUSINESSES, AND DELAWARE'S CHAMBERS OF COMMERCE**

State government alone does not have the resources or expertise to make all of the needed improvements to Delaware's economy. Private businesses need to be part of this transformation. As Governor, I will ensure Delaware's private businesses have an important role in the state's economic development strategy. My administration will take a hard look at what forms public-private partnerships might take and how they might fulfill and enhance the mission of DEDO. The business community has valuable information about emerging markets, important feedback on the skills needed in a modern workforce, and significant resources to invest in new ideas and opportunities. State government needs to take advantage of those assets. The first priority for a public-private partnership will be to maximize new opportunities at the DuPont Experimental Station to help attract and retain significant entrepreneurial talent in energy, agriculture, bioscience and sustainable chemistry in our state.

## **STRENGTHEN THE ENTREPRENEURIAL ENVIRONMENT FOR STARTUP COMPANIES**

Delaware has come a long way in developing a more entrepreneurial economy. Co-working spaces, like the Mill, coIN Loft, and 1313 Innovation, and entrepreneurial training programs, like UD's Horn program, didn't exist just five years ago.

These efforts, along with a vibrant arts community and a relatively low cost of living have positioned Delaware, and especially the city of Wilmington, to become an entrepreneurial hub in the region.

**I** State government has a very important role in helping these efforts reach their potential, and as Governor, I will help build on these efforts by committing to:

### **CREATE AND IMPLEMENT A SCIENCE AND TECHNOLOGY PLAN FOR THE STATE**

**N** For generations, DuPont, and its subsidiaries and spin-out companies, were the creative engine in Delaware's economy. We're in danger of losing that innovation hub at a time when it's needed most to compete in the global economy. As Governor, I will focus the state's efforts on filling this critical need, and develop a Science and Technology Plan for the state aimed at recruiting and retaining talent and businesses in the areas of energy, agriculture, biotechnology, and sustainable chemistry.

**N** Part of this plan will include leveraging the tremendous assets we already have in these areas, like the University of Delaware's STAR Campus, the Delaware Technology Park, and the many successful companies and higher education institutions doing groundbreaking work.

It will also include working with our universities to make it easier for researchers and entrepreneurs to transfer technology they've been working on at these institutions into successful businesses. And it will include a strategy to work directly with former DuPont employees, who make up a uniquely qualified and talented workforce in our state, to help them access and commercialize the technology and intellectual property they had been working with.

### **DEVELOPING A STRATEGIC PLAN WITH PRIVATE BUSINESSES TO ATTRACT MORE VENTURE CAPITAL**

**O** To succeed, entrepreneurs have to go where they can access the resources to grow. We don't want Delaware to invest in creating a pipeline of young talent and a community of budding entrepreneurs only to see them leave the state because there are insufficient resources to support their businesses.

**V** Delaware's public and private sectors have more than a 20 year history of investing in innovative start-up companies with efforts like the Delaware Innovation Fund, and more recently, First State Innovation. As Governor, I will work with both state agencies and private businesses to expand these efforts and create new investment tools and strategies that help promising local companies grow and attract new businesses into the state.

### **EMBRACE AND EXPAND THE AVAILABILITY OF OPEN DATA**

**A** Open data stimulates economic development. State government collects data on everything from health inspections and traffic patterns to real estate transactions and water and air quality. This data should be accessible to the public, and by publishing it openly, freely, and in machine-readable formats, entrepreneurs can create new products, apps, and solutions to challenges that we face every day in our communities. Over the last year, the Markell Administration has laid the groundwork for greater open data at the state level. As Governor, I will expand these efforts, push agencies and departments to get more of their data into open formats available online, and engage the entrepreneur community in using this data to improve the lives of Delawareans.

### **CREATE THE FIRST STATE INNOVATION CHALLENGE**

**I** With state data being more open and available to the public, entrepreneurs will have greater opportunities to use their skills and ideas to help solve challenges that the state struggles with. State government doesn't have all the answers. As Governor, I will seek input from members of the public, especially entrepreneurs and innovators that use open data and approach challenges from new, creative directions. The First State Innovation Challenge will be a competition supported by the state that brings together Delaware innovators to focus on solutions to specific public service challenges.

### **IMPROVE BROADBAND ACCESS IN RURAL PARTS OF THE STATE**

**O** Innovation and entrepreneurialism aren't limited to Delaware's cities. Delawareans from all across the state have creative ideas and the talent to develop their own businesses. And more young people are building these skills every day, working with programs in our public schools, colleges and universities. The state has invested millions since 2013 to expand broadband in underserved areas of the state, like Milford, Georgetown, Lewes, and Seaford. But there are many more businesses, entrepreneurs, employees, and communities that would benefit from the opportunities created by high-speed broadband internet access. As Governor, I will work with local governments, businesses, and providers to increase access to broadband for communities across the state.

### III. STRENGTHENING DELAWARE'S WORLD-CLASS WORKFORCE

The real key to our economic future is our people. As businesses compete for the best employees, they will go and grow where the talent is. We need a workforce second to none. Today's economy evolves at a rapid pace and so do the workforce needs of these companies. Partnering with our universities, Delaware needs rapid deployment workforce development capability so that companies look to Delaware first for their expansion needs, knowing that we will deliver a trained workforce ready to hit the ground running. I will make it a priority to close our skills gap by transforming Delaware's workforce development infrastructure so that it focuses on the skills businesses need and promotes economic growth.

As Governor I will:

#### **CREATE A RESPONSIVE WORKFORCE DEVELOPMENT PROGRAM**

Historically, workforce development has been thought of in the context of responding to layoffs. I believe we need to create a mechanism for the rapid deployment of specific, targeted workforce development initiatives to meet the evolving needs of Delaware businesses in a timely manner.

States commonly recognize the important role of assisting firms as they train an inaugural workforce. Companies are attracted to states that develop highly sophisticated, customized and responsive workforce programs that provide a pipeline for their workforce. I would use Delaware's workforce training programs as a way to incentivize companies to locate here. This means that in addition to building a top-notch workforce development system, my Labor Department would focus on promoting the program's capability and availability in an effort to attract both companies and potential employees.

That said, Delaware's best economic development opportunities will be with existing Delaware employers and helping them expand in Delaware. I will work with Delaware's business community to identify areas of need and create a nimble, responsive workforce development program that can quickly scale up. Corporate workforce development needs change over time, so Delaware's program will be regularly evaluated to ensure it is meeting the needs of companies.

#### **EXPAND CAREER PATHWAYS PROGRAMS**

Delaware's Accelerated Career Paths Program and the Pathways to Prosperity Initiative are both promising ways to make sure students have the skills they need to compete in today's economy. As important though, these programs provide employers with a skilled workforce capable of filling open positions. I hear time and again from Delaware business owners that they can't find enough welders, HVAC technicians, or diesel mechanics to run their businesses.

I would expand the existing career pathways programs to get more graduating seniors the skills and professional certifications that align with the state's workforce needs. In support of this effort, I will direct my Secretary of Labor to strengthen the ties between the vo-tech system, higher education, and the business community. The focus should be on working closely with companies, experts, and educational institutions to create an infrastructure nimble enough to implement a program to meet the needs of individual companies.

#### **DEVELOP PROGRAM PARTNERSHIPS WITH THE BUILDING AND CONSTRUCTION TRADES, UNION LOCALS, AND DELAWARE CONTRACTORS TO GIVE VETERANS A HEAD-START ON CONSTRUCTION AND OTHER SKILL-RELATED CAREERS**

We need to do more to help Delawareans who have served in our armed forces. I am a supporter of the Helmets to Hardhats program. This is a federally funded program that provides former and active military personnel with opportunities to quickly start apprenticeship programs and careers in the construction industry. In addition, these men and women are awarded credit for their military training and experience. The National Association of Home Builders also has a similar training program, for veterans and non-veterans, that quickly provides workers with the skills to gain entry to the construction industry. We need to expand programs like these and create others to serve more Delawareans looking for work and to support businesses looking for skilled employees.

#### **INCENTIVIZE RE-HIRING AND ON-THE-JOB TRAINING THROUGH ADJUSTMENTS TO UNEMPLOYMENT INSURANCE**

The federal Middle Class Tax Relief and Job Creation Act gave states unprecedented flexibility to use some of their unemployment insurance benefit money on programs and incentives that would help workers remain in or rejoin the workforce. In Congress, I worked with members from both parties on legislation to simplify the program and expand its use. As Governor, I will use these resources to help Delawareans get back to work and receive on-the-job training that can lead to successful, long term careers.

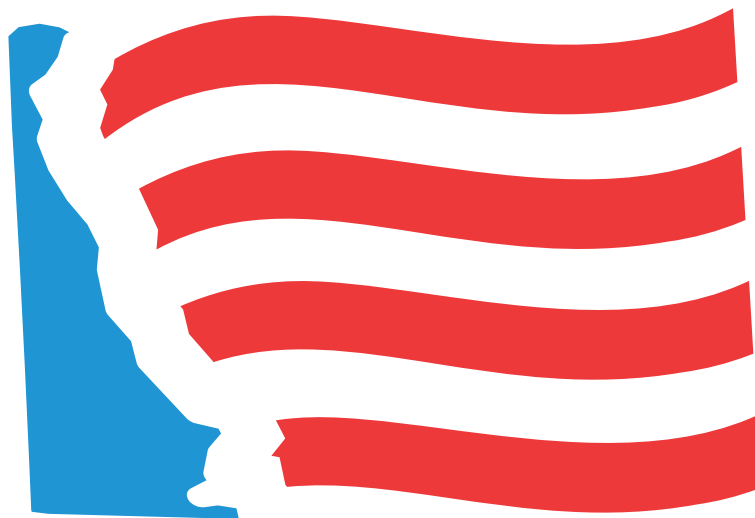
## IV. CUTTING RED TAPE THAT STIFLES ECONOMIC GROWTH

For companies seeking to expand their footprint in Delaware or new companies seeking to locate here, it can take far too long to obtain the necessary permits and approvals to build or expand a facility. The result is that companies are choosing to locate or grow elsewhere to avoid Delaware's cumbersome processes. I believe government can be responsible and environmentally conscious while being efficient and pro-growth.

### EXPEDITE PERMITTING PROCESS VIA THE COUNCIL FOR FAST TRACK JOB CREATION

I would **designate one state entity where companies seeking to create good-paying, middle class jobs could secure all necessary permits and other requirements under a fast-track system.** I would do this consistent with local planning objectives. To that end, I would pursue legislation to enable this fast track authority, creating an important economic development tool for Delaware as it competes with other states and countries for these highly sought after jobs. Specifically, I would pursue legislation to **create the Council for Fast Track Job Creation,** consisting of the Secretaries of DelDOT, DN-REC, DEDO, DOL and the Director of the Office of State Planning.

The Council would focus on potential projects that would bring a substantial number of new full-time, well-paying jobs to Delaware, and would be very targeted. **It would also work with companies with an existing presence in Delaware to expand that presence and create additional jobs.**



### STREAMLINE DELAWARE'S REGULATIONS TO CREATE A CLEAR, PREDICTABLE ENVIRONMENT FOR BUSINESS

Providing a climate for businesses to grow and invest in Delaware requires regulatory processes that are fair, thoughtful and timely. Delaware's current regulatory scheme rests on a 40-year-old statutory scheme and a patchwork of inconsistent and often inefficient mechanisms to resolve regulatory matters. I would **modernize this antiquated administrative law framework** by establishing a system of professional and experienced administrative law judges, streamlining redundant and inefficient processes and utilizing technology to increase efficiency and transparency.

While much of the focus in Delaware is on matters before the judiciary, the reality is that Delaware businesses are more often faced with having very important matters resolved in the first instance by administrative tribunals. The laws and regulations governing this system are made up of a confusing and inefficient patchwork of inconsistent processes and agency-by-agency peculiarities that make it difficult for parties and the courts to navigate. As Governor, I would require agencies to review and harmonize regulations to support our business community and the creation of good-paying middle class jobs.



## V. GROWING OUR AGRICULTURE ECONOMY

In Delaware, agriculture accounts for more than \$8 billion in economic activity each year. We've got 500,000 acres of farmland, 2,500 family farms, and more than 240 million chickens raised per year. Our proximity to population centers along the East Coast helps our agriculture industry thrive. In order to continue to grow our economy, I believe we need to support our farmers and look for new opportunities to expand the agricultural sector in our state.

### IMPROVE NUTRIENT MANAGEMENT REGULATIONS

As Governor, I will work to harmonize our state's efforts to protect the environment with the need to support our long tradition of being an agricultural engine for the country. Delaware's farmers are the backbone of our state, particularly in southern Delaware. They are stewards of the land, and they, more than anyone, understand the importance of robust environmental protections. This is a shared responsibility that will require working with farmers to employ best practices in limiting nutrient runoff, working with the EPA to recognize the significant effort and progress that Delaware farmers are making in this area, and using new, innovative solutions to capture and reuse these nutrients.

### REDUCE PERMITTING BARRIERS

In Delaware, poultry is king, with almost all of the grain grown in the state supporting our chicken industry. Yet, the poultry industry has its challenges. We have more than 60 pending farm construction loans totaling \$60 million on hold due to permitting and regulatory issues. While we have seen growth in poultry houses, these delays can cause family farmers great hardship when their livelihood depends on being able to grow chickens. We need to work to ensure that regulations and permitting don't delay families from supporting their small businesses.

### PRESERVE FARMLAND

Delaware first began the farmland preservation program in 1996 and in the ensuing 20 years has seen more than 120,000 acres permanently preserved. As we see decreasing farmland due to development, we need to continue to support the preservation of our farms. With the average age of a farm owner in Delaware at 55, we need to ensure that future generations who want to join their family farm are able to continue running these small businesses without huge tax burdens.

### PROMOTE AGRIBUSINESS

In the past decade, Delaware has seen huge growth in farmers' markets providing fresh products directly to consumers and has become an economic engine providing more than \$3 million in sales in 2015. We have farmers shipping apples to be used at McDonald's and watermelons for sale in grocery stores across the region, value-added products such as lavender soap, wine, and an assortment of jams and jelly, and Community Supported Agriculture (CSA) programs. These new ventures promote Delaware products while sustaining farms through the dull months of the winter. Farms in Delaware are even contributing to our tourism economy, like at Lavender Fields in Milton. We need to continue to foster agribusiness in this ever-changing economy to realize the full potential of our agriculture markets. We can do this through improved marketing assistance for farmers and the promotion of agribusiness through trade with our North American and South American neighbors.

