

RESOURCE PROFILE FOR ECONOMIC GROWTH
CITY OF MILFORD, DE



Moran, Stahl & Boyer
Site Selection and Economic Development Consultants



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This profile was prepared by Moran, Stahl & Boyer, a leading economic development and site selection consultant, as an objective overview on the City of Milford, DE area as a potential destination for business.

For additional details on the area, contact:

David Baird, City Manager
City of Milford
 201 S Walnut St • Milford, DE 19963
Phone: 302-424-3712
E-mail: dbaird@milford-de.gov

■ OVERVIEW ON THE CITY OF MILFORD

The City of Milford, DE is located in south central Delaware on the border of Kent and Sussex Counties. Milford’s population has expanded from 6,700 in 2000 to nearly 9,000 residents primarily as a result of relocations from neighboring states to take advantage of the lower cost of living along with access to beaches and the attractiveness of this historic small town.

Milford was settled on the banks of the Mispillion River over 300 years ago and became a shipbuilding center up until the 1920’s. The City’s economy also supports the substantial agricultural presence in the region as well as diverse manufacturing and health care.

The City is not located near an interstate highway but has four-lane highway access to the north and improved two-lane access to the west and south.

Overall, the City offers a low cost operating environment that is readily accessible to Mid-Atlantic and Northeast markets.



Economic History of Milford

Local history provides a perspective on how the community has sustained itself for over 300 years.

Henry Bowan first settled on the northern bank of the Mispillion in an area known as the Saw Mill Range.

The Reverend Sydenham Thorne builds a dam across the Mispillion River to power a grist and saw mill.



Stately homes were built including "The Towers" that was built in 1783 and remodeled in 1891.



The City of Milford is incorporated in 1807.

Fruit drying equipment was manufactured in Milford from 1860 – 1875.

LD Caulk began producing dental materials in 1877.

Wilson M. Vinyard established the Vinyard Shipyard in 1896 on the south bank of the Mispillion River. During WW I, the shipyard produced diesel-powered tugs and three sub chasers and during WWII was retrofitted to build 14 sub chasers.

SC 1497
Built 1942



Augusta
Built 1927

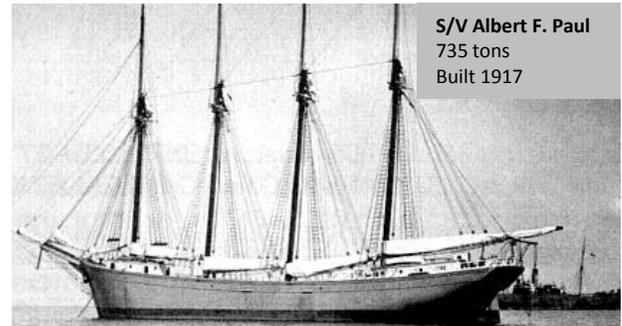
Vinyard Shipyard also produced a line of pleasure craft. In 1996, Sudler Lofland reestablished the shipyard and has restored several of the original yachts.

1680
1690
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1980
1990
2000
2010



Large stands of white oak trees could be found throughout the area that were utilized in ship-building.

The local ship building industry was flourishing in the 1770's and brought prosperity to the area through the 1920's. The City would eventually have six shipyards and produce 600 wooden ships.



S/V Albert F. Paul
735 tons
Built 1917

In 1917, the William G. Abbott Shipyard built the largest ship in Milford, the four-masted, 174 long Albert F. Paul that was eventually sunk by a German U-Boat in 1942 while hauling salt from the Turks Island to Baltimore.

Once the shipyards began to shut down, the area became a commercial center for large agricultural industry in Southern DE. Several canneries were established to process peas, beans and other field crops.



The small wooden spoons used with ice cream cups were also produced here.

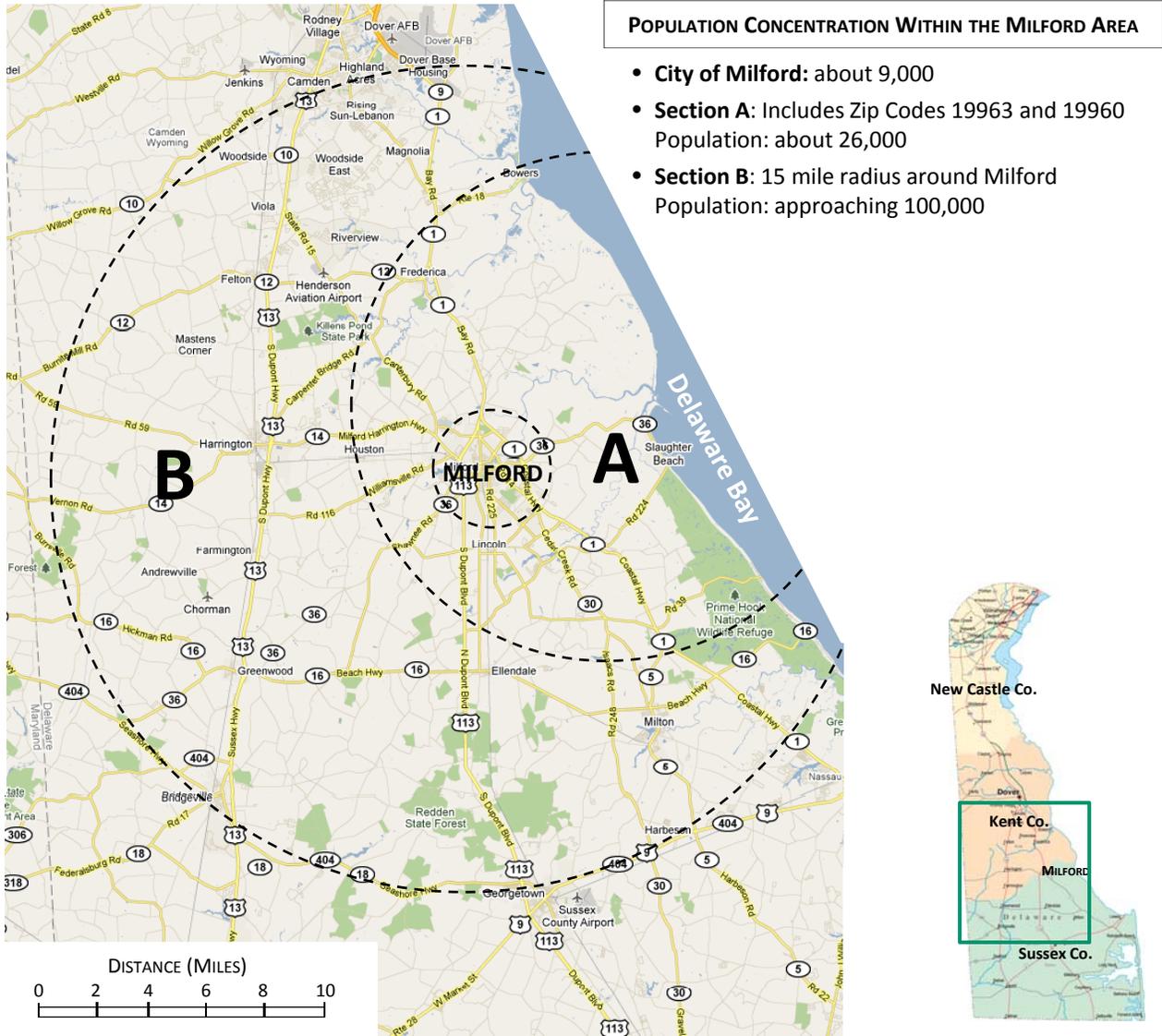


Over the past 30 years a number of manufacturing firms have been established in the area that has diversified the economy.

Since 2000, there has been an influx of retirees and pre-retirees from NY/NJ/PA to the area due to low cost and attractiveness.

COMMUNITY DEMOGRAPHICS, LABOR FORCE AND EDUCATION RESOURCES

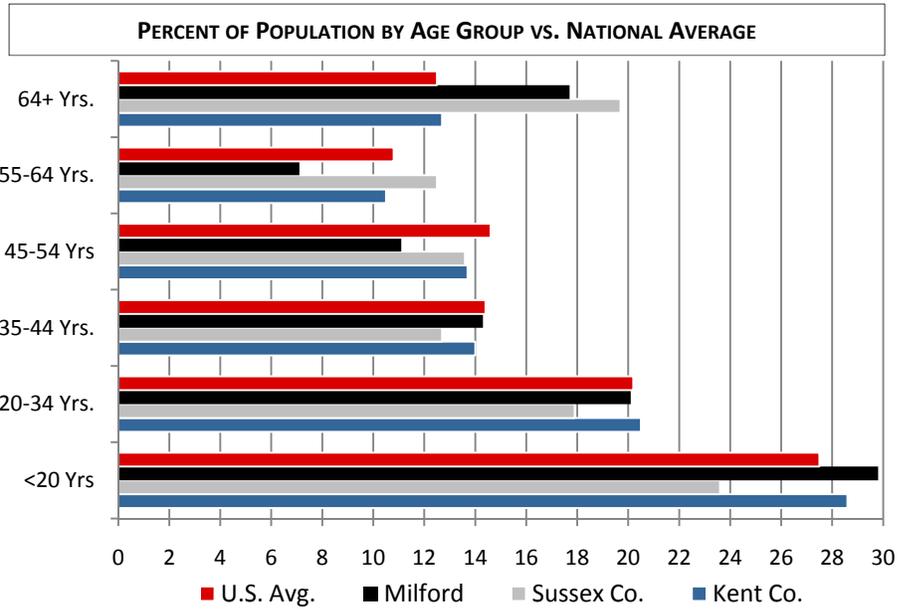
The population of the City is currently at nearly 9,000 residents, up from 6,700 in 2000. Growth has been robust until the housing market crash beginning in 2008. Within the 19963 and 19960 zip codes (area “A”) below, there are approximately 26,000 residents and nearly 100,000 within a 15 mile radius of Milford, taking in areas just south of Dover, northern portion of Georgetown and portions of Bridgeville.



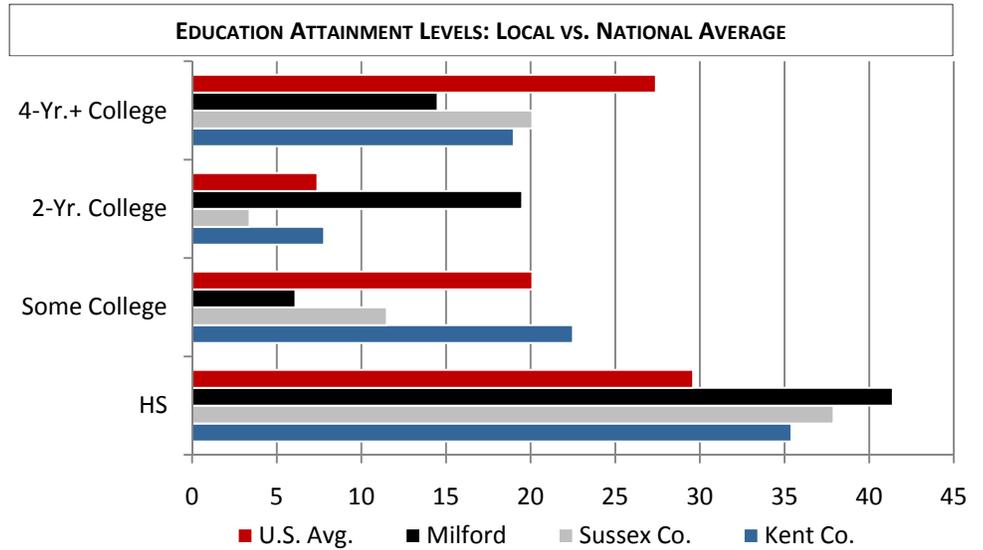
Sussex County and the City of Milford have very high 65+ years age brackets.

The City also has a high <20 year old bracket.

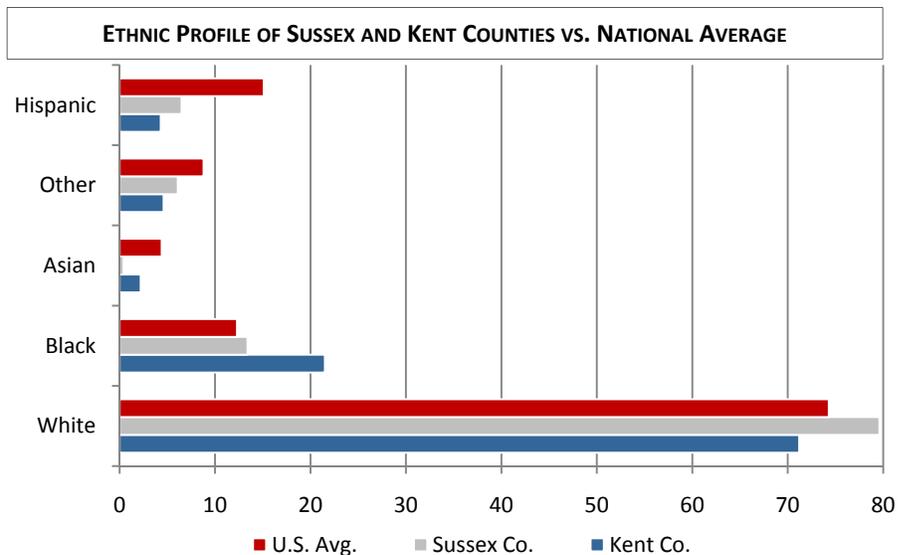
The key bracket viewed by prospective companies is the 20-34 year olds and the local percentage is at national average (which is good).



High school attainment is very high while 4-year college is low, which is reflective of the rural area.



The local Hispanic/Latino population expands as the jobs are available in agriculture and food processing.



Cost and Availability of Labor

COST OF LABOR COMPARISON					
Job Title	Sussex Co.	Dover	Wilmington	Baltimore	Richmond, VA
Front Line Supervisor (51-1011)	\$45,850	\$58,210	\$65,740	\$57,520	\$54,710
Machinist (51-4041)	\$43,400	\$58,210	\$48,210	\$48,280	\$40,300
Team Assembly (51-2092)	\$29,110	\$26,750	\$33,060	\$30,530	\$26,580
Inspectors/Testers (51-9061)	\$28,620	\$40,200	\$40,910	\$40,180	\$34,860
Plastics/Metal Mach. Operators (51-4031)	\$33,260	\$40,340	\$30,100	\$36,790	\$32,640

Notes:

Dover wage rates are most likely impacted by the Dover Air Force Base activities.

Education: Delaware State University, Wilmington University and Wesley College

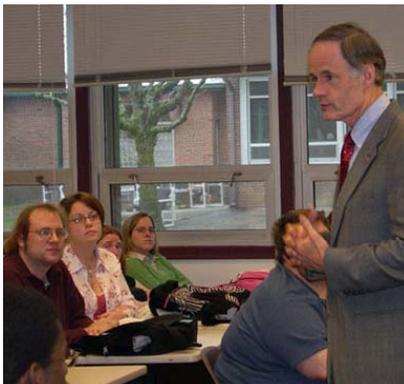
These colleges are strong in business, education and health-related professions. Wilmington University has computer science but none of the schools offer engineering.

Description	DE State University	Wilmington Univ.*	Wesley College
Total Enrollment	3,610	9,650	2,425
Annual Graduates by Program:	Bachelor/Masters	Bachelor/Masters	Bachelor/Masters
Agricultural Business	14/5	-	-
Accounting	8	57	9
General Business	73/37	110/129	89/34
Human Resources	-	33/3	-
Management Information Systems	-	23 (MS)	-
Entrepreneurship	-	-	-
Marketing	-	48/17	-
Computer and Info. Sciences	6	40/5	-
Engineering	-	-	-
Nursing	21	96	49
Nursing Administration	-	33 (MS)	19 (MS)
Visual Arts	2	22	-

*Includes all Wilmington University campuses.

Education: Delaware Technical and Community College

Delaware Tech has campus near Milford in Dover and Georgetown offering a variety of technical, business and health care-related programs at the two-year and pre-four year levels.



Description	Delaware Tech Georgetown	Delaware Tech Dover
Total Enrollment	4,800	3,400
Annual Graduates by Program:		
Agricultural Business	12	-
Accounting	21	15
General Business	49	16
Human Resources	-	1
Management Information Systems	1	1
Entrepreneurship	2	2
Construction Management	5	1
Marketing	5	2
Office Management	11	4
Computer and Info. Sciences	22	2
Architectural Engineering Tech.	15	2
Civil Engineer Tech.	10	1
Computer Systems Tech.	9	10
Drafting/Design/CADD	9	-
Electrical/Electronics Tech.	3	2
EMT Paramedics	-	3
Clinical/Medical Lab Assistant	3	-
Medical/Clinical Assistant	2	-
Occupational Therapist	12	-
Physical Therapist	8	-
Radiology Tech.	13	-
Nurses (ASN)	59	76
Respiratory Tech.	9	-
Veterinary Tech.	8	-
Biotechnology Tech.	3	-
Visual Arts	-	33

OVERVIEW ON THE LOCAL ECONOMY

The local economy is fairly diverse with a strong presence of health care, manufacturing, support to the large agriculture activity in the region, some tourism, and local retail. The City of Dover and Dover Air Force Base are located 10 miles to the north and are also a source of employment.

Number and Size of Companies by Economic Segment/Industry							
Employer Description	10-19	20-49	50-99	100-249	250-499	500-999	1,000+
Construction	7	2					
Manufacturing	3	5	2	1	2		1
Wholesale Trade	5	2	1				
Retail Trade	16	16	2	1	1		
Transportation/Warehousing	5	3					1
Media/Publishing/Internet	4	1	1				
Finance and Insurance	6						
Real Estate	2						
Professional, Scientific and Technical Services	5	1					
Management of Companies			1				
Administrative Support, Waste Management		3		2			
Educational Services	1	1					
Health Care and Social Services	19	12	1	1	1	1	
Arts, Entertainment and Recreation	1	2					
Accommodation and Food Service	12	10	1				
Other Services	5	1	1				

Selected Major Non-Government Employers (100+ Employees)		
Major Employer	Employment	Scope of Business
Perdue Farms	1,000+	Chicken processing
Burriss Logistics (HQ/operations)	1,000+	Distribution services
Bayhealth Medical Center	500-999	Medical services
Baltimore Air Coil	250-499	Cooling/condensing equipment
Dentsply/Caulk	250-499	Dental supplies/materials
Wal-Mart	250-499	Retailer
Seawatch International	100-249	Seafood processing

Economic Segments With Growth Potential in Milford

Technology Product Segment (Manufacturing)

Opportunity to leverage the existing industry presence locally and throughout the state as well as the local knowledge of marketing to multiple levels of government. Being a relatively remote area (not near an interstate), potential growth will come primarily from local company expansions, from situations where company owners select the area for personal reasons (e.g., quality of life or familiar with the area), access to low operating costs and similar reasons. Potential product lines include:

- High value plastic parts, components and finished products.
- Metal fabricated parts and components.
- High value fabric-based products and components.
- Other military products and components.
- Products that support or are derived from local/regional agriculture.
- Selected medical devices.
- Product derivatives from advanced DuPont materials.

Healthcare Segment

There is a planned expansion of core medical services and an opportunity to attract more specialized region medical services.

- Bayhealth Medical Center is undergoing an expansion to increase capacity of existing services.
- Medical services will expand with population growth and in particular the 55+ year olds.
- Potential for a regional specialty center to serve Kent and Sussex Counties in Delaware and portions of Eastern Shore Maryland.

Retail/Restaurant Segment

Opportunities to complement the existing retail presence in the City, both downtown and along the Route 113 and Route 1 corridors.

- Bookstore (downtown) in conjunction with a coffee shop/bakery and wi-fi access.
- Sports equipment (kayaks, golf equipment, softball/baseball, hiking, etc.), both sale and rental.
- Office supply/art supply/craft and hobby/card store (offer craft lessons and sell supplies).
- Additional big box as population expands (Kohls, Target, Lowes/Home Depot, etc.).
- Additional gift shops with picture framing capability.
- Other food shops/restaurants: classic diner, Thai/Asian, more upscale/unique restaurant, ice cream/yogurt, soup/sandwich, healthy/energy drinks/foods, etc.

Tourism Segment

Opportunities to leverage ship building heritage, access to the river and the rural setting around the City.

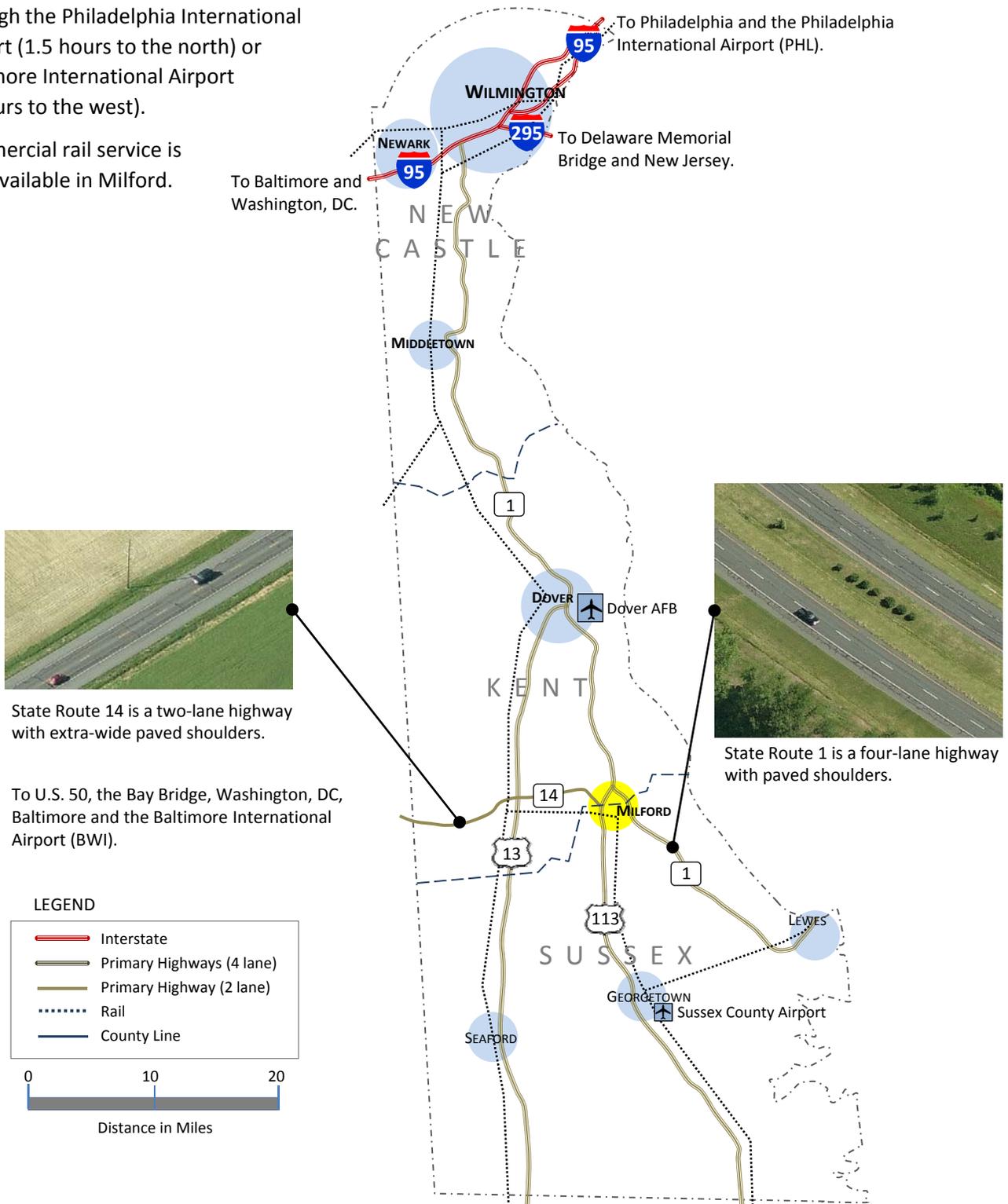
- Boat/ship building museum with a boat building school.
- Additional walking and bike trails.
- Layout bike tours on back roads and provide route descriptions along with points of interest.
- Build an amphitheater along the river east of downtown.
- Additional events, such as: monthly downtown concerts, bike races, triathlon (running, biking and canoe or kayak), additional craft fairs, other "Taste of Milford" events, etc.

■ TRANSPORTATION ACCESS

Highway access to Milford from the north is on four-lane State Route 1 and from the west is on State Route 14, an improved two-lane road with wide paved shoulders. Local employers have had no issues shipping in or out of the area and have access to multiple shipping companies.

Commercial air service from Milford is either through the Philadelphia International Airport (1.5 hours to the north) or Baltimore International Airport (2 hours to the west).

Commercial rail service is also available in Milford.



State Route 14 is a two-lane highway with extra-wide paved shoulders.



State Route 1 is a four-lane highway with paved shoulders.

To U.S. 50, the Bay Bridge, Washington, DC, Baltimore and the Baltimore International Airport (BWI).

■ QUALITY OF LIFE

The community enjoys a unique quality of life that provides access to the popular Delaware Beaches but also to Milford’s quaint downtown area and the many surround farmlands with scenic back roads. The area has a number of recently built neighborhoods with newer construction along with an array of older historic homes . Examples of available homes are provided on the next page.



Delaware beaches are a very popular destination.



Sussex County countryside.



There has been a substantial investment in upgrading Milford’s historic downtown.

Arts, Culture and Nature

Arts, culture and nature study are well represented in the community through access to the Riverfront Theater, the Mispillion Art League, the Delaware Music School and the Abbotts Mill Nature Center. An appreciation of the esthetic is a key part of the local culture.

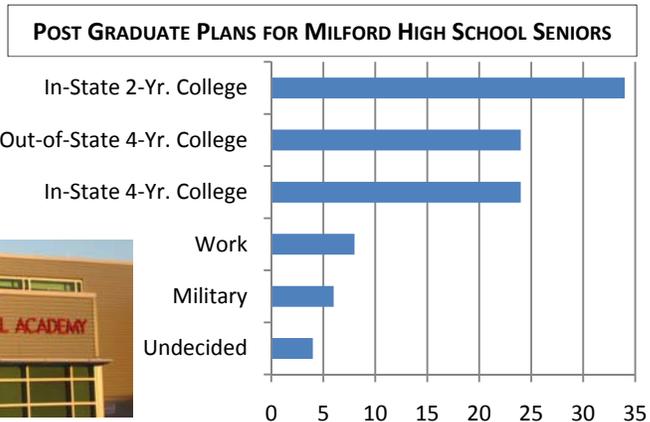
The community also celebrates different seasons of the year with special festivals and events that include the Bug and Bud Festival (April), CCGM Golf Classic (June), Riverwalk Freedom Festival (September), Holiday Auction/Tastes of Milford (November) and the Milford Holiday Stroll (December).

Investment in Education

The community is constantly striving to improve the quality of K-12 education. Just recently, the high school campus was expanded and the Milford Central Academy for 8th and 9th graders was constructed. This will allow a better focus on these two critical school years while providing these students access to the unique resources available at the high school.



Newly upgraded high school and grade 8-9 campus.



Cost of Living and Housing Availability

The overall Cost of Living Index for the Milford Area is at the National Average which is substantially lower than many of the metro areas of the Mid-Atlantic and coastal Northeast states. This is one of the reasons residents from nearby states have relocated to the area.

There is a good supply of housing within suburban neighborhoods at a broad range of price points. Most apartment complexes are in the Dover area (ten miles to the north) with an average cost for one bedroom (\$780), two bedrooms (\$870) and three bedrooms (\$1,000).

COST OF LIVING FOR SELECTED LOCATIONS		
	Overall	Housing
Milford, DE	100	91
Washington, DC	133	186
Annapolis, MD	136	191
No. Bergen, NJ	134	175
Princeton, NJ	118	131
Cherry Hill, NJ	116	128
New York, NY	167	250
Hempstead, LI	122	133
Boston, MA	162	232

Source:
Sperling's Cost of Living Comparison (2010)

EXAMPLES OF AVAILABLE HOUSING AT THE LOWER PRICE POINTS



Asking Price	\$359,900
Size of Home	3,363 sf
Size of Lot	0.67 acre
No. Bedrooms	4
No. Baths	3
Age of Home	5 years



Asking Price	\$199,000
Size of Home	2,215
Size of Lot	0.4
No. Bedrooms	4
No. Baths	2.5
Age of Home	4 years



Asking Price	\$164,686
Size of Home	1,278
Size of Lot	Condo
No. Bedrooms	3
No. Baths	2
Age of Home	New

Source:
Realtor.com (2010)