



Business Meeting Minutes for February 22, 2023

I. Call to Order and Determination of Quorum:

The business meeting was called to order by Chairman, Jim Reilly at 9:02 a.m. at The Chesapeake Heritage & Visitors Center, 425 Piney Narrows Rd., Chester, MD. The meeting was held in-person, with the option to participate via Zoom.

The following Board Members were present and represented a quorum:

Jim Reilly, Chair
Heather Bacher, Vice Chair (Zoom)
Ed Beres, Treasurer
Lara Wilson
Jesse Parks
Brian DeMoss
Todd Wilhoit
Jeremy Reynolds (Zoom)
Larissa Costello (Zoom)
Jaime Thompson (Zoom)
Hazen Arnold (Zoom)
Shawna Truitt (Zoom)
Deayna Ewell (Zoom)

Members Not Present:
Lee Bridgman, Secretary
Shelly Gross-Wade

Staff Present:
Heather Tinelli, Director, Economic & Tourism Development
Rebecca Clark, Economic Development Coordinator
Lisa Gallow, Office Coordinator, ED & Tourism Dev. (via Zoom)

Economic Development Commission:

Jim Reilly, Chair
Heather Bacher, Vice Chair
Ed Beres, Treasurer
Lee Bridgman, Secretary
Brian Demoss
Hazen Arnold
Jeremy Reynolds
James P. Reilly
Larissa Costello
Lara Wilson
Deayna Ewell
Jamie Thompson
Shelly Gross-Wade
Jesse Parks
Todd Wilhoit

County Commissioners:

James J. Moran, At Large
Jack N. Wilson, Jr., District 1
Patrick McLaughlin, District 2
Philip L. Dumenil, District 3
Christopher M. Corchiarino, District 4

Others present:

Jack Wilson, Queen Anne's County Commissioner (Zoom)
Gigi Windley, Director, Kent Narrows Development Foundation
Nancy LaJoice, Sr. Business Dev. Rep., MD Dept. of Commerce (Zoom)
Dave Harper, VP of Programs, Chesapeake College
Lanette Power-Waters, Communication Specialist, QAC Public Schools
Steve Johnson, Planner, QAC Planning & Zoning (Zoom)
Mike Arntz, Community Liaison, Congressmen Andy Harris (Zoom)
Jessica Mumbulo, Willow Construction (Zoom)

II. Approval of Agenda and Minutes:

It was requested that comments regarding hotel tax revenue being allocated to Economic Development, mentioned by Commissioner Wilson, be included in the January Meeting Minutes. On a motion made by Ed Beres and seconded by Jesse Parks, the December meeting minutes, with inclusion of the requested comments, was approved by a unanimous vote of all members present.

On a motion made by Jesse Parks and seconded by Ed Beres, the February meeting agenda was approved by a unanimous vote of all members present. Mr. Parks noted that the letterhead for the agenda did not match the updated letterhead for the minutes to include the newest County Commissioner or newest EDC member.

III. Treasurers Report: Mr. Beres shared that the account managed by Chesapeake Charities has a current balance of \$1778.71.

IV. County Commissioners Liaison Update: County Commissioner Jack Wilson provided an update for the EDC Members:

- A.** In regard to the increase in Hotel Tax, Commissioner Wilson stated that it is not an issue that the EDC Board will need to weigh in on, in favor or not in favor, because it is just enabling legislation to give the county the tool if the need were to arise or the purpose was there for it to be utilized.
- B.** There was previously an EDC- Planning & Zoning Committee that looked into the permit process and Commissioner Wilson would like to make that group active once again. He would like to first evaluate the groups goals and objectives and update if necessary. Because Mr. Parks was a part of the initial group, Commissioner Wilson asked if he could begin this process. Mr. Parks will facilitate the meeting and contact previous/interested group members.
- C.** Ms. Tinelli asked about the status of Maryland House Bill 00447 which requires an election of a county commissioner to represent a specific district to be decided by a plurality of the votes cast within that district. Commissioner Wilson does not anticipate that the Bill will be passed as it is being introduced and that it may be put back to referendum in 2024 in the five counties that are affected.
- D.** There is a new Supreme Court decision stating you cannot restrict Alcoholic Beverage Licenses. QAC currently restricts Alcoholic Beverage Licenses to for so is therefore in violation of the ruling. QAC will need to change to no restrictions on the number or quantity of licenses.

V. Department of Economic & Tourism Development Update: Heather Tinelli, Director of ED & Tourism Development provided an update for the EDC members and liaisons.

A. Tourism-

- i. The department continues to meet weekly for Ferry Project discussions. The RFP for the Feasibility Study is due 2/15/23 and respondents' applications will now go to the Ferry Project RFP Review Committee.
- ii. Bay Bridge Boat Show is returning April 14-16. Ms. Plummer is negotiating sponsorship options as well as marketing campaigns to highlight local businesses.
- iii. Concours d'Elegance Car Show will be hosted by Kent Island Yacht Club this October.
- iv. The Hyatt is now open and team members have had the opportunity to tour the new facility.
- v. Ms. Plummer attended Tourism Day events in Annapolis which included the Taste of the Eastern Shore Event and MD Tourism Day Event.
- vi. Ms. Plummer will be presenting her Marketing Strategy Plan to TTAC Members on March 7, 2023. This will include statistics on current campaigns as well as strategic plan for the remaining marketing budget in FY23.
- vii. Tourism staff continue to meet regularly with Parks & Recreation to support, promote and discuss department events and local events. They have created a shared calendar utilized by both departments.

B. Workforce Development-

- i. Ms. Dean and Ms. Clark are planning for future workforce events with partners, Chesapeake College and QAC Chamber of Commerce.
- ii. Working with QAC Chamber on planning the 2nd year of educational series workshops

C. Economic Development-

- i. Meeting with DHCD
- iii. Budget requests for FY24 have been submitted.
- iv. Micro Ag Grant
- v. Rural Maryland Economic Fund awarded to Upper Shore Regional Council- awaiting details and guidance on how funding will be managed.
- vi. Recently attended the MEDA Directors Meeting.
- vii. Attended Rural MD Legislative Day

D. Meetings-

- i. Staff visited with Eclipse Group- Marine and Aviation Investigation is moving to Queenstown from Annapolis.
- ii. Met with management with Queenstown Outlets to discuss Marketing to visitors.
- iii. Have engaged in conversations with a large boat manufacturer/dealer that is looking for 1000,000 indoor storage and marina space.
- iv. Chesapeake Sports Pilots at Bay Bridge Airport- Ms. Tinelli worked with them and Planning & Zoning to help find an alternate runway space at Kentmorr. They can utilize the runway at Kentmorr Rd. while the construction is taking place on the Bay Bridge Airport runway.
- v. Attended the monthly Stevensville A&E Board meetings.
- vi. Manufacturer's Consortium on 4/13/23 at Chesapeake College
- vii. Staff members attended the QAC Chamber of Commerce mixer at Cult Classic.

E. Community Development-

- i. Continue to attend Stevensville A&E meetings and support the board with the redesignation application that is due in April. The A&E District is looking to partner with Planning & Zoning to work on Sustainable Communities and address the current parking issues. The board is in the planning stages with QAC Chamber to possibly hold a joint event sometime this year.

- ii. The MD Start Arts Council visited and toured the Stevensville A&E District toured with board members and Ms. Tinelli. They discussed the improvements that have been made, the projects they have in place and the 10-year renewal application for redistricting.

F. Visitor Center Construction Update-

Phase II of the Construction Project at the Chesapeake Heritage & Visitors Center is scheduled to begin this Spring. There will be a meeting on April 7th to discuss details and time frame for the project. The RFP submittal time is through March 4th. Ms. Tinelli will continue to keep the board informed of details as they are shared with the department.

- G. Hubspot-Customer Relationship Management Program (CRM)- Ms. Tinelli** gave a brief description of the CRM Program that E&TD utilizes to report meetings, emails, deals and interactions with businesses. The program allows tickets to be listed by category like, new business prospect, planning & zoning issues, finance needs, site selection etc. This allows staff to follow how much time is spent on specific topics/groups. This program has proven to be a great tool for organization, efficiency, mass emailing, newsletter distribution and customer/business follow-up.

VI. Liaisons Report-

- A. Kent Narrows Development Foundation:** The Executive Director of Kent Narrows Development Foundation, Gigi Windley, provided information regarding the region.
- i. KNDF will be taking over some of the grounds maintenance projects in the Kent Narrows region. They have begun with cleanup of the hillsides along Rt 50.
 - ii. The Tiki Boats that were in Kent Narrows last summer will not be returning this season.
 - iii. Ms. Windley will be testifying in Annapolis on behalf of the Dept. of Commerce and MD Tourism in support of tourism marketing budget increases.
- B. Real Estate Recap 2022:** Ed Beres, Realtor and RE/MAX Executive, shared Real Estate statistics for the month of January in Queen Annes County. The main issue continues to be the lack of active listings, and homeowners remain reluctant to sell their homes. The most likely contributing factor to that issue is that interest rates remain high. Although sales were down 21% for the month of January that was an improvement from previous months and there were positive factors that showed signs of better days ahead.
- 1) Sales prices were down less than 1%
 - 2) Average sold price to original listing price jumped significantly to 98.3%, even passing statistics from last January
 - 3) Average days on the market was down from 39 to 33
- C. QAC Planning & Zoning:** Steve Johnson was not available to attend the meeting, but he did provide a packet containing details regarding the following topics:
- i. Royal Farms project was tabled due to safety and architectural issues. They have not yet received a resubmittal for this project.
 - ii. Bay Bridge Marina concept plan was approved in January.
 - iii. There is interest in re-opening the restaurant on Price Road.
 - iv. Re-zonings were approved by County Commissioners and will be effective on April 1, 2023.
 - v. The growth allocation petition for the Armored Storage on Nash Court was approved by County Commissioners with conditions:
 - 1) Reduce size of building by one story

- D. Chesapeake College:** Dave Harper, VP of Programs for Chesapeake College, provided an update for the EDC Members. Mr. Harper stated that the model that we are working from compared to 5 or 10 years ago is unrecognizable.
- i. They went from maybe 20% or less dual enrolled students to now north of 30%. This means almost a third of our high school students are dual enrolled and the blueprint will continue to push this number forward.
 - ii. They have increased from less than 25% online to now 50% by offering classes that do not require hands on experience/interaction to be completed online.
 - iii. Five years ago, they had administrative leads in trades teaching part time for workforce classes. They have since changed the model where they are less invested in administration and more invested in the subject matter of experts.
 - iv. That brings a host of benefits to the students, the industry and knowledge base. They now have a full-time marine trade, welding fabrication, CDL and currently hiring for construction technology and advanced manufacturing.
 - v. The Rural MD Development Grants have been a huge help with resources and supplies to support the workforce/trade programs. Some of the projects that the funds will yield are:
 - 1) The boat in which student can crawl inside, explore, and utilize to learn
 - 2) A mobile welding trailer that can be taken off campus for remote training.
 - 3) A Business Innovation Center that will connect students with local businesses and share internship opportunities.
 - 4) Additional CDL locations.
 - vi. Currently working on an MOU with the Workforce Investment Board to divert the stream of students that are going the traditional 4-year college route to 45% into trades and industry.
- E. QAC Board of Education:** Lanette Power-Waters, Communication Specialist, QAC Public Schools, provided a brief update.
- I. Teacher of the Year will be announced on March 30, 2023.
 - II. The new Human Resources Director that is currently focusing on hiring and filling teacher, assistant, and bus driver positions for the 2024 school year.
 - III. Next school year, the 9th graders that are typically located at the 9th Grade Annex on the second floor of Matapeake Middle School, will now be located at Kent Island High School. KI High will include 9th through 12th grade students.
 - IV. Governor Wes Moore and Senator Steve Hershey visited the Kennard Cultural Heritage Center. The governor saw the children in Kennard Elementary and stopped in for a surprise visit.
- F. Office of Congressman Andy Harris-** Community Liaison, Mike Arentz, shared a brief update regarding the MEDA Conference that he attended in Annapolis.
- G. Jesse Parks-** Mr. Parks stated that he would like to see more members to make the effort to attend the meeting in person. He understands that members are busy and there will be occasions where they may need to attend via Zoom due to illness or scheduling conflicts, but he would like to point out the importance of regular in person attendance and encourage members to try and do better.

H. New Business Committee- Heather Bacher shared details for the new local businesses that the committee has recently visited.

- i. The Hyatt Place
- ii. Philopena and Asian Market
- iii. DePaola's Bagel & Brunch

VII. New Business

A. **Legislative Update:** Ms. Tinelli briefly explained the bills that are currently being introduced to legislation and most effect Queen Anne's County.

- i. **HB0931-SB0612-Eastern Shore Code Counties-Maximum Hotel Rental Tax Rate-Alteration-** Increasing from 5% to 6%, the maximum hotel rental tax rate that counties in the Eastern Shore class of code counties may impose
- ii. **HB0258-Queen Anne's County- Alcohol Beverages License-Residency Requirements-**Removing the requirement that an applicant for an alcoholic beverage license be a resident of Queen Anne's County
- iii. **HB0447-SB0691-Local Elections-County Commissioner-District Voting-** Requiring an election of a county commissioner to represent a specific district to be decided by a plurality of the votes cast withing that district.
- iv. **SB0803-HB1256-Labor & Employment-Payment of Minimum Wage-Tipped Employees-** Specifying a certain tip credit amount that is in effect for certain time periods, prohibiting certain employers of tipped employees, beginning July 1, 2027, from including a tip credit amount as part of the employees' wages, and requiring the Commissioner of Labor and Industry to establish the High Road Kitchen Program as a recognition program for restaurants that do not include the tip credit as part of certain employees' wages.
- v. **HB0148-Economic Development-Enterprise Zone Program Alterations-** Altering the circumstances under which the Secretary of Commerce may designate an area as an enterprise zone or a focus area: prohibiting the Secretary from designating a new enterprise zone or granting an expansion of an existing enterprise zone if the Secretary reasonably anticipates that the aggregate amount of property tax credits claimed for the immediately preceding fiscal year may exceed \$60,000,000; and terminating the Program on January 1, 2031, except under certain circumstances.

Ms. Tinelli will share direct links with board members that will allow them to follow the progress of these proposed bills and the stated that she will present status updates and opportunities for discussion at future meetings.

B. **Local Event Discussion:** EDC Members engaged in a conversation about potential new events coming to the region as well as the return of past events.

- i. **Kent Narrows Boat Show-**Mr. Parks ask Ms. Windley and there was any plan to bring the previously discussed Kent Narrows Boat Show to the region? Ms. Windley replied that she was not aware of any plans, and they are currently working through construction/paving projects that would make that challenging.
- ii. **QAC Watermen's Festival-** Ms. Tinelli explained that, after further discussions and consideration, the QAC Watermen's Association believed it would be too difficult to properly plan and execute the event this year. There is an incredible amount of planning, organization, permitting, logistics and volunteers required for such an event and they would rather take the extra time to prepare and host a successful, safe, and exciting event.

XI. Adjournment: On a motion made by Jesse Parks and seconded by Ed Beres, the board unanimously approved the adjournment of the meeting at 9:59 am.