



Business Meeting Minutes for March 22, 2023

I. Call to Order and Determination of Quorum:

The business meeting was called to order by Chairman, Jim Reilly at 9:00 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
Ed Beres, Treasurer
Lee Bridgman, Secretary
Lara Wilson
Jesse Parks
Todd Wilhoit
Jaime Thompson (Zoom)
Deayna Ewell
Shelly Gross-Wade

Members Not Present:

Brian DeMoss
Hazen Arnold
Jeremy Reynolds
Larissa Costello

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:

Gigi Windley, Director, Kent Narrows Development Foundation (Zoom)

Linda Friday, President, QAC Chamber of Commerce

Steve Johnson, Planner, QAC Planning & Zoning

Stephanie Jones, Senior Planner, QAC Planning & Zoning

Connie Dean, Career Technology Liaison, QAC Economic & Tourism Development

Marci Leach, Executive Director of Eastern Shore Higher Education Center

Alyssa Hastings, Eastern Shore Representative, Office of Senator Chris Van Hollen

Pat Worns, Resident and Kent Narrows Development Foundation Secretary

DebTerhung, Kent Island Resort

II. Approval of Agenda and Minutes:

On a motion made by Heather Bacher and seconded by Lee Bridgman, the March agenda was approved by a unanimous vote of all members present.

On a motion made by Heather Bacher and seconded by Jesse Parks, the February meeting minute were approved by a unanimous vote of all members present.

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 Commissioners Jack Wilson and Chris Corchiarino were not available to attend the March EDC meeting.

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 and Economic Development-

- i. The department continues to meet weekly for Ferry Project discussions. And QACETD Staff members were included in the Selection Committee. The contractor has been chosen and the task of determining if a passenger ferry is feasible, will begin soon.
- ii. The Bay Bridge Boat Show will be on April 14th through 16th and QACETD will be a sponsor for the event. The department has engaged in a marketing campaign with the goal of driving both vendor and spectator traffic to our local hotels and restaurants. This year's event will include a concert series for both Friday and Saturday nights as well as the addition of kid friendly activities.
- iii. On April 14th, QAC Tourism will be hosting the monthly DMO (Destination Marketing Organization) meeting which includes Tourism Leaders from each Maryland County as well as representatives from the Department of Commerce, Maryland Tourism Office. Unlike typical meetings, the April meeting will also include marketing representatives from each MD County.
- iv. April Plummer, QAC Destination Marketing Specialist continues to attend All American Road Interpretive Planning and MHAA Grant review meetings.
- v. The Shantytown of Kent Narrows Exhibit will be set up in the Visitor Center Gallery during the month of April. There will be a special showing of the exhibit on April 19th at 6pm. The event is open to the public.
- vi. Connie Dean, QAC Career Technology liaison, will be featured in one of the panel discussions at the MEDA Conference.

- vii. Working with Chesapeake College and QAC Chamber of Commerce to plan the Future Workforce event this fall.
- viii. Continue to meet with the Upper Shore regional Council. The 2.5 million dollars in funds that the county received is in final process to be distributed and the department is excited to see all the projects get started.
- ix. Continue to watch budget hearings to follow the progress of Dept. Commerce request for additional Tourism funding. Governor Hogan had allocated additional funding towards Tourism last year to support the counties as they recovered from losses during COVID. MD Tourism is asking for these tourism specific funds to be long standing funding source. QAC typically receives from 25 to 39 thousand dollars from MD Tourism each year but with the additional funds allocated from Governor Hogan, QAC received 256 thousand dollars. This has opened opportunities for marketing in new ways as well as new regions. It has given the small counties that typically do not receive the larger funding, the opportunity to expand and grow their marketing efforts.
- x. The Manufacture Consortium will be held at Chesapeake College in April. The department is working hard to communicate with all manufacturers in the county to make them aware of the event.
- xi. Have met with a few companies that are interested in moving their businesses to QAC. They are interested in public water and sewer access.
- xii. Attended the Chamber event with QAC Board of Education Superintendent Dr. Saelens discussing the Blueprint for Maryland Future.
- xiii. Working on the redesignation application for the 10-year Stevensville Arts & Entertainment district renewal
- xiv. Recent Business meetings:
 - a. Cult Classic- Planning an expansion and major events in the county
 - b. Chesapeake Bay Beach Club
 - c. Cornish-Discuss bypass road connector behind Target
 - d. Kentmorr Restaurant-Met with new owners to discuss their plans

B. Workforce Development- Connie Dean provided a brief update for EDC members.

- i. The JA Inspire event for all 8th grade students was held in Salisbury and Ms. Dean was excited to share that it was the first year that included students from Kent and Queen Anne's Counties. The event was a huge success and great opportunity for students to experience and engage in hands on activities. Kent and Queen Anne's counties are currently included in the Central MD group and Ms. Dean continues to move forward with the goal of both counties to be included in the Eastern Shore JA Inspire group.
- ii. There will be a "life After High School" Job Fair event on March 29th at Kent Island High School. Local businesses will be present to promote the openings for summer jobs, internships, and apprenticeship opportunities.

VI. Liaisons Report-

A. Kent Narrows Development Foundation: The Executive Director of Kent Narrows Development Foundation, Gigi Windley, provided information regarding the region.

- i. Sugar Doodles will be opening in the retail space located at The Boatel.
- ii. Knot 10 Boat Expo will encompass the boat slips located around Bridges Restaurant and Safe Harbor South Marina. The event will take place on April 21-23, April 28-30, and May 5-7.
- iii. The Chesapeake Motoring Festival at Kent Island Yacht Club will take place on June 11th.

- iv. Seasonal restaurants will be opening in April.
- v. Delmarva Power is replacing poles along Rt. 50.
- vi. KNDF continues to work on the Pedestrian Wayfinding System.
- vii. KNDF is going to be producing a Trail Map with grant funds they received from Maryland Heritage Trust.

B. Real Estate Recap: Ed Beres, Realtor and REMAX Executive, shared Real Estate statistics for the month of February in Queen Annes County. The main issue continues to be the lack of inventory. This is due to homeowners reluctant to sell their homes because of increasing interest rates. Below are statistics for February 2023:

- i. There were 52 settlements in QAC in February.
 - a. QAC was down in closings 13% from last year.
 - b. Anne Arundel County was down in closings 24.2% from last year.
 - c. Talbot County was down in closings 41.8% from last year.
 - d. Caroline County was down in closings 30.8% from last year.
 - e. Kent County was down in closings 33% from last year.
- ii. Average sold price dropped (Sellers received less than asking price)
- iii. Days on market increased significantly (from 38 last Feb. to 61 this Feb.)

C. QAC Planning & Zoning: Steve Johnson provided a packet containing updates. Some highlights are listed below:

- i. Chesapeake Square major site plan includes 2 apartment buildings located at what is now the Island Professional Park (hut type buildings located near Queenstown Bank on Kent Island).
- ii. Parking Lot Expansion for Fisherman's Inn Restaurant
- iii. Appeals meeting to introduce a new restaurant in Price will be on March 23rd.

D. Chesapeake College: Marci Leach, Executive Director of Eastern Shore Higher Education Center, provided an update for the EDC Members.

- i. the Higher education Center recently began offering Doctorate and Education Leadership programs. In addition, they offer Master's and PHD programs to support those that do not want to travel but still want face to face experience.
- ii. The Higher Education Center offers a direct articulation of the AAT (Associates of Art Degree in Teaching) program offered at Chesapeake College. This allows students to start the teacher education pathway in high school, take classes to earn college credit and then attend Chesapeake College to earn AAT. Students can attend the Higher Education Center in Salisbury to earn their Bachelor's and Master's degrees. They are creating pathways to make the process transparent to students and parents.
- iii. ABE (Adult Basic Education) is the first barrier to cross to get into workforce. This is no contact workforce excellence training focused on soft skills such as communication, adaptability, dependability, computer skills etc.
- iv. On March 17th, Senators Ben Cardin and Chris Van Hollen present Chesapeake College with a check for 1.2 million dollars to support the school's Workforce Training Program.
- v. The college is going to increase the frequency of the catalog from two times a year to four times a year.

E. QAC Chamber of Commerce- Linda Friday, President, QAC Chamber of Commerce provided an update regarding recent activities and future events.

- i. Ms. Friday joined Ms. Tinelli and staff on a visit to Kentmorr Restaurant to meet the new owners.
- ii. The Chamber is planning a Business Crawl this September in Downtown Stevensville Arts & Entertainment district.
- iii. The Chamber hosted an event in which QAC Board of Education Superintendent, Dr. Saelens, discussed the comparison between the Strategic Plan and the Blueprint to Maryland future.
- iv. There will be an After-Hours event on April 20th at Yo Java Bowl in Red Apple Plaza.
- v. There will be a ribbon cutting ceremony on May 4th for Easton Dermatology in Stevensville.
- vi. The QAC Chamber's Annual Golf Tournament will be on May 11, 2023.
- vii. On May 18th, the QAC Chamber will be hosting a mixer at the Four Seasons Clubhouse.
- viii. On June 7th, the QAC Chamber will be hosting the Regional Mixer to include the five regional Chamber of Commerce at Chesapeake College.
- iv. The ribbon cutting for the new Hyatt in Kent narrows will be on June 21, 2013. The event will include a business mixer as well.
- x. On September 9th, the QAC Goes Purple Ceremony will take place in Centreville. The event will include a performance by the Army Rock Band.
- xi. In September, the QAC Chamber will host the MACCE (MD Association of Chamber of Commerce Executives) meeting

E. University of MD Extension QAC- Lee Bridgman provided details regarding upcoming events and happenings.

- i. The new MD Secretary of Agriculture, Kevin Atticks, has visited QAC several times and is very enthusiastic about value added products and Agritourism. There are several other out of state group visits planned in the next month to the extension and university.
- ii. April 12-13 is AG Awareness Days at the 4H Park and will be attended by all 7th graders in the county.
- iii. The Master Gardner Plant Sale will be in the Sheriff's Parking lot on May 13th.
- iv. The Centreville Farmer's Market will be having a meeting on March 28th to share ideas and recruit volunteers for the market.

VII. New Business

A. TACO #23-02 Presentation- Stephanie Jones, Senior Planner for QAC Planning & Zoning and Drew Turner with Douglas Development were present to discuss the proposed text amendment to QAC Code 18:1-26.

Ms. Jones stated that each year during the first two weeks in February, the county accepts text amendment proposals. Ms. Jones then explained how the current code is written and then explained the intent of the proposed text amendment submitted by Jamal's Kent Narrows.

The current code (18:1-26) is specific to the WVC District (Waterfront Village Center located in Kent Narrows) and permits mixed use of 10 dwelling units per acre and include 25% commercial space. The proposed text amendment submission would stay specific to the WVC but, for reconstruction of dilapidated or abandoned properties, the dwelling requirements would increase to 25 dwelling units per acre and decrease the required commercial space to 5%.

Ms. Jones stated, at this point, the county staff is not going to provide support for this amendment specifically because of the sewer allocation and the recently adopted Kent

Narrows Community Plan that does not support an increase in residential in Kent Narrows and would be a loss of commercial usage for the county.

Mr. Parks asked Gigi Windley, Executive Director with Kent Narrows Development Foundation, how the KNDF stands with this text amendment. Ms. Windley replied that they do not yet have a collective view, but they will be discussing this matter on March 28th.

Shelly Gross-Wade asked how this text amendment meets the Housing Study requirements for QAC? Ms. Jones stated that they would still have to provide some moderately priced units but there is really no change in language specific to that study. Ms. Gross-Wade asked what precedents these changes and has the county ever given such deep waivers with these text amendments to a commercial developer? Ms. Jones responded that she would need to research for accuracy, but she believes there have only been a couple mixed use in other regions that were increased to 20 dwelling units per acre but 25 would top what is currently in the county.

Jesse Parks stated he does not believe the loss of the commercial space is a bad thing and thinks it should not be required just for the sake of saying it. They should take into consideration the number of storefronts that are currently in the area, and it is not helping anything by shuffling retail businesses from one place to another. He is in favor of lowering the retail space percentage requirements to avoid additional retail spaces left unoccupied. Ms. Jones said the staff does understand, however, the issue is the potential of opening this up to all districts. They would like to study the implications prior to changing the code. Mr. Parks asked what is the time frame is for changing/updating the county code? Ms. Jones replied that it takes a few years. Mr. Parks stated that although he appreciates the holistic view, he does not see that as reasonable, to put project on hold for three years or more for code changes.

Drew Turner with Douglas Development was introduced and gave an explanation from the developer point of view. They understand that sewer allocation is paramount to whether the project can or cannot happen. He explained that Douglas Development has put an immense amount of effort since 2017 planning, researching, and reaching out to the community for input. The intent has always been to redevelop the space and have the majority of the project residential with some retail space. In previous years, they submitted a plan that met the mixed-use requirements and other requirements with Zoning but unfortunately it ended up being a project that was not viable for a number of reasons. This year they are moving forward with a new request that is more defined to show that, even with the lower commercial density of the retail space, because of the size of the project, it would still offer 20 to 30 thousand square feet of commercial density.

Shelly Gross-Wade asked, "What does the feasibility site plan show the density can be on this site and what amenities will the project offer that would benefit the community. Mr. Turner replied that it will fulfill the need for residential options in the county and include an expansion to the trail system that both residents, community members and visitors will utilize.

Ms. Tinelli asked Mr. Turner to explain the two parcels that are included in the site. Mr. Turner explained that the site is divided by Piney Narrows Road. On one side is the larger site that previously was the outlet center and on the other side is a small area that will be utilized specifically for commercial/retail space. It is a horizontal mixed-use plan that is being proposed. Ms. Jones explained that they are not required to submit a formal site plan at this time as the proposed text amendment would affect the entire WVC region. She continued to say that two key factors in the proposed text amendment are that it is for redevelopment of existing development and states it must be dilapidated or abandoned.

Ms. Jones asked Ms. Windley if she would like to explain the special taxing district specific to Kent Narrows. Ms. Windley explained that Kent Narrows has boundaries to indicate a specific area where special taxes are collected from commercial properties. These taxes are put into a kitty and helps fund the KNDF and its programs.

Ms. Jones explained that there is also Bonus Standards (Funding) that is offered to the county for certain amenities. For example, The Boatel and Hyatt both gave funding for the height extension. Douglas Development would offer a Bonus Standard for the density. Heather Bacher asked if these funds could be tracked to see exactly how they are utilized. Ms. Jones said when the application is applied for, they decided where the funds will be utilized. She stated that most often the funds go to Parks and Recreation for trail upkeep and maintenance.

Jesse Parks put forth a motion for the EDC to present the County Commissioners with a letter of support for the proposed text amendment, provided that the MPDU (Moderately Priced Dwelling Units) requirement has been met. The Economic Development Commission's recommendation is in line with its strategic goals around economic impact and workforce development.

Their motion was seconded by Heather Bacher. Lee Bridgman chose to abstain, Ed Beres and Shelly Gross-Wade voted against and all other EDC members that were present voted to support.

XIII. EDC Member Updates:

A. Lara Wilson, UMD Shore Regional Health-Lara stated that she and her colleagues will be presenting at the EDC meeting in April. They will be discussing the new hospital in Easton which is for the betterment of the entire Eastern Shore and how it will integrate with the different services that are offered in the 5 counties.

B. Ed Beres, Realtor-RE/MAX Executive- Ed shared that they had the first Leprechaun Run to benefit the Children's Miracle Network. It was very successful, and they were able to raise a few thousand dollars for the cause. They are looking forward to expanding the event next year.

C. Jesse Parks, President, KRM Development Corp-Jesse wanted to recognize the expansion and addition of employees to Hydrasearch located in the Chesapeake Business Park in Stevensville.

D. Deayna Ewell, Retail Manager, Queenstown Outlets-Ms. Ewell has been working with the Workforce Program at Chesapeake College, trying to recruit candidates working at the outlets into the program. She has also been discussing entrepreneurship information and would like to utilize a local community center to have a Town Hal Meeting to share small business lending information. Ms. Ewell also showed interest in building a local small business network to include a pamphlet that list all local small businesses.

E. Heather Bacher, Marketing Director. Sr. Vice President, Shore United Bank- Ms. Bacher shared that, On January 1, 2023, she started a Business Banking Group for Shore United that includes banks from Baltimore to Ocean City focused on building relationships with small business owners. Ms. Bacher stated the Shore United is merging with Community Bank of Chesapeake and she is very excited for the new and innovative opportunities. She mentioned that many may have heard of the recent bank failures that have made the news. She stated the people should not be concerned because the two failures had very specific reasons why they failed. When you are working with a community bank, they are diversified, and the money is staying in the community with the businesses that are here.

F. Todd Wilhoit, President, Chesapeake Investment Planning- Mr. Wilhoit shared that he knows of several local students that are looking for internship opportunities. Ms. Tinelli stated that it would be a good idea to give them Connie Dean's contact information. She also shared that the Tourism and Economic Development Departments have been

approved for 2 part-time interns. They are hoping to acquire one from the college and one from a high school.

Mr. Wilhoit engaged the committee members in a brief discussion regarding the state of the economy, increased interest rates and the effect it is having on the public with increased credit card debt, lack of funds for home improvements and home upkeep and lack of interest to sell homes and relocate.

G. Jim Reilly, EDC Chair and Small Business Owner- Mr. Reilly wanted to remind members that the CHVC parking lot construction will begin on May 2nd so the May EDC meeting will take place at the Kent Island Yacht Club. He stated that the next Executive Committee Meeting will take place prior to Mays meeting and it was suggested by Heather Bacher that they consider doing the Executive Meeting at a different time and via Zoom. Heather Tinelli will follow up with Executive Meeting dates and options. Mr. Reilly announced that Shawna Truitt has decide to resign from the EDC due to her inability to attend any meeting in person.

Adjournment: On a motion made by Heather Bacher and seconded by Shelly Gross-Wade, the board unanimously approved the adjournment of the meeting at 9:29 am.