

ECONOMIC DEVELOPMENT INCENTIVE FUND COMMISSION

Meeting Summary

March 16, 2020

The meeting was called to order by Chairman Mike Whitehill at 8:59 a.m. in the County Commissioners' Chambers, 107 North Liberty Street, Centreville, Maryland. Also present at the meeting was: Bill Walmsley, Vice Chairman, Thomas Glen, Patrick Perry, and Todd Mohn, County Administrator. Mr. Whitehill teleconferenced. A quorum was present. Staff present at the meeting were Heather Tinelli, Director, and Jean Fabi, Economic Development Manager, both of the Department of Economic and Tourism Development.

Action on Previous Meeting Summaries: On a motion made by Mr. Perry and seconded by Mr. Walmsley, the meeting summary for January 27, 2020 was unanimously approved with corrections. The word "requested" will be added to Paragraph A, ninth sentence, under Old Business and with spelling corrections. As there was no quorum present at the February 24, 2020 meeting, the meeting summary was unanimously accepted into the record by the Commission on a motion made by Mr. Walmsley and seconded by Mr. Glen.

Department Update:

Ms. Tinelli informed the Commission that the Comprehensive Plan process is on hold until a new consultant is hired to replace the Smith Group. All of the data collected thus far in the process is in the possession of the County. All stakeholders meetings are cancelled until further notice. One visioning session was held with Chester/Stevensville. The Commission will be made aware of any future visioning sessions once a schedule has been set. As of March 13, the comp plan website is off-line. Ms. Tinelli has been working with Shore Health on the establishment of an urgent care facility and has identified potential locations near population hubs and, ideally, within a retail area. Ms. Tinelli has been in contact with Jim Barry, of the Cordish Group, to discuss potential uses for the former Kmart site. A meeting was held with the group representing the Fisherman's Village hotel project, TKO Management, on February 17. The hotel will be branded as a Hyatt Place and it is envisioned to host small events, such as corporate retreats, during the shoulder season. With respect to parking, the property owner is working with the State of Maryland to purchase property or long term lease. Once constructed, the facility is estimated to employ 60 to 70. The department is proposing an expansion to the Enterprise Zone to include the area that is known as the Kent Narrows. The application is due April 15.

Ms. Fabi discussed business retention visits, Government contracting related manufacturing remains strong but is beginning to feel impacts of corona virus due to lag in overseas production of components. The Port of Baltimore is shut down and there is concern over exports/importers. Ms. Tinelli discussed the relief programs associated with the economic impact of COVID 10, including the SBA Disaster Loan

program. There was a discussion about working with the SBDC to assist not only with the construction disruption issues, but also with the impact of COVID 19 on businesses throughout the county.

Old Business:

A. Status of Pending Disbursements: First disbursement for Ten Eyck was submitted to Finance on March 9 and covers the purchase of the Canning Equipment at \$24,500. The remaining balance is \$25,500 which can be released upon issuance of the certificate of occupancy for the business. County has a first position secured lien on that equipment and will have on the foeders once the company has taken possession of them.

Corsica Technology has a balance of \$151,000 +/- remaining on its disbursement. The staff has been in discussion with company, which intends to take the disbursement. However, the company is not currently in good standing as the name change documentation is still pending filing with State. The deadline for taking the disbursement is May.

B. Update on Recipients: Ms. Fabi reported that meetings, some with SCORE representatives, were held and are summarized below:

- Roszell Coffee Roasters d/b/a Open Seas Coffee was recognized for espresso at a national competition and will be meeting its employment goals within a few months.
- The EDGE has transitioned from hosting an arena football team to operating a child care center.
- SRR Holdings, LLC had just opened Joshua's which has had a slow start and will now be impacted by COVID-19. Staff is assisting with marketing by partnering with QACTV to feature the steakhouse. Josh Shonts is leaving the company. The EDIF commission discussed the obligation for the agreement and requested a copy of the existing and new operating agreements. On a motion made by Mr. Walmsley and seconded by Mr. Glen, the Commission voted unanimously to direct the county attorney to send a letter to all parties to the agreement that they remain obligated.
- Sudlersville Vol. Fire Company had four (4) employees initially as 1099s now transitioning to one (1) full time bookkeeper and two (1) part time facility managers, which meets the employment criteria in the agreement. The laundromat is performing above projections.
- Cult Classic is another recipient that has been impacted by the traffic situation. It just recently opened the restaurant component. Staff will be working with the businesses impacted by traffic and, now with the effects of closures as a result of COVID-19.
- PRS Guitars has reported it is up to 351 employees. Staff has met with the company recently to discuss tax credits.

Ms. Tinelli and Ms. Fabi had a meeting on site with MidAtlantic Microbials representatives, James Melvin and Tony Biddle, to discuss terms of agreement. Last year EDIF, at the request of Biddle, voted to agree to convert balance to conventional loan which was not finalized. After discussion, staff recommends adhering to terms of the original agreement and request immediate payment of

outstanding balance. Staff will request that the county attorney draft letter for the Commission to review and act upon at the next meeting.

There has been no change in the employment status for Authentik Systems. Staff has contacted the company with respect to employment reports. Staff will provide an update to the Commission at its next

C. Testimonial Project: Staff has received written testimonials from AMS Group, Hydrasearch, Sigtex, Sudlersville Vol. Fire Co., Compass Regional Hospice, Powertrain Products. Miltec, Powertrain and Compass recorded video testimonials with QACTV. Staff will share the video with the Commission once it is completed.

New Business:

Ms. Fabi introduced a project from Water Testing Labs Project in consideration of submitting an application for funding. A written project summary was provided to the Commission. The company is requesting assistance with the purchase of equipment. The Commission discussed the project and agreed to accept an application in consideration of funding. Ms. Fabi will notify the company.

Adjournment: On a motion made by Mr. Mohn and seconded by Mr. Walmsley, the Commission voted unanimously to adjourn the meeting at 10:50 a.m.

Accepted 5/18/2020