

ECONOMIC DEVELOPMENT INCENTIVE FUND COMMISSION

Business Meeting Minutes for January 19, 2021

I. Call to Order and Determination of Quorum

The meeting was called to order by Chairman Mike Whitehill at 9:00 a.m. Due to COVID-19 restrictions, the meeting was held virtually via Zoom Meeting application. The following board members were present and represented a quorum:

Mike Whitehill, Chairman
Bill Walmsley
Patrick Perry
Thomas Glen

Not Present:

Todd Mohn, County Administrator

Staff Present:

Heather Tinelli, Director, Economic & Tourism Development
Lisa Gallow, Office Coordinator, Economic & Tourism Development

II. Approval of Agenda:

On a motion made by Mr. Walmsley and seconded by Mr. Glen, the meeting agenda was approved by a unanimous vote of the members present.

III. Approval of Minutes:

On a motion made by Mr. Perry and seconded by Mr. Glen, the October meeting minutes were approved by a unanimous vote of the members present.

- IV. Department Update:** Heather Tinelli, Queen Anne's County Economic & Tourism Director, provided the Commission with a department update. Governor Larry Hogan and the State of Maryland has authorized two rounds of funding for Queen Anne's County restaurants. The first round of funding awarded \$433,513 to Queen Anne's County that needed to be allocated by December 31, 2020. The second round of funding of \$266,109 is currently open, the deadline to apply is February 4, 2021. The Governor has also allocated funding to the Hotel Industry. In order to be eligible for this program, the venue has to have at least 10 rooms for a hotel/motel and at least 5 rooms for a Bed & Breakfast. The venue must also pay the County's hotel tax and be open to the public by March 2021. The department of Economic & Tourism Development has 2 new employees, Korin Hudson, Visitor Center Associate and Katie Clendaniel, Marketing & Destination Specialist. The Chesapeake Heritage & Visitor Center renovation has been completed, and there was an official ribbon cutting held in December 2020. The department was awarded grant funds from the USDA for a rebranding initiative. An RFP has been released and awarded to Choptank Communications pending approval from the County Commissioners. There will be a business resource information session via ZOOM in partnership with the Maryland Small Business Development Center and the Queen Anne's County Chamber of Commerce on January 21, 2020. Target will be back filling the existing K-Mart space, anticipated opening Fall 2021. The department is currently working with University of Maryland Medical System to bring an urgent care facility to Kent Island. In partnership with the Upper Shore Regional Council the

department is providing \$28K in grant funding to help support local agriculture businesses looking to develop, expand, diversify, or improve their marketing efforts as well as conduct agricultural research initiatives within Queen Anne's County. The deadline to apply for the Upper Shore Micro Ag Grant is January 31, 2021. The Commissioners have approved two commercial property tax credits, one for the Kent Narrows Boatel expansion, and the other for Hyatt Place.

V. **Old Business:**

- A. Update on Recipients-3rd & 4th Quarter Employment Numbers:** 4th Quarter reporting numbers were due on January 15, 2021. The department will need to follow up with those that have not provided their documentation. Mrs. Tinelli will have a more detailed report to provide to the Commission at the February meeting. Despite the COVID-19 pandemic, 3rd quarter reporting looked positive for most recipients.
- B. Corsica Technologies Update:** Per the decision of the Commission at the September meeting, Corsica Technologies has signed the amended EDIF agreement. The amended agreement states that Corsica Technologies will employ thirty (30) full time employees by the end of year three (3) of their agreement and maintain thirty (30) employees until the end of year five (5) of their agreement. January reporting has not yet been submitted.
- C. Chesapeake Environmental Lab-Update:** Chesapeake Environmental Labs application to the Economic Development Incentive Fund Commission requesting funding for the purpose of purchasing a Promium Element LIMS system which is a Laboratory Informational Management System was approved by the County Commissioners at their October 27, 2020 meeting. The agreement allows the incremental creation of two (2) full-time jobs within three (3) years from the date of final disbursement of funds. The company would also be required to maintain the employment level and remain in full operation in the county for a total of five (5) years. Chesapeake Environmental Lab has not yet requested a disbursement of funds. They are in the process of purchasing the software and training employees. Mrs. Tinelli expects to receive the funding request soon.
- D. Authentik Solutions-Update:** Authentik Solutions paid \$3,100 in 2018 and have not made any further payments. In May, Ms. Tinelli sent a certified letter to Authentik Solutions telling them they were in default of their loan, behind on employment number reporting, and requested that they needed to contact her. Ms. Tinelli and Commissioner Chris Corchiarino met with Mr. Ciras on Wednesday, October 21st, at which time they agreed to make a payment of at least \$1,000. As of January 2021, Queen Anne's County finance has not received a payment from Authentik Solutions. With unanimous support of all members present, Mrs. Tinelli will have County Attorney, Patrick Thompson draft and send a default letter to Mr. Ciras.

VI. **New Business:**

- A. Approval of 2021 Meeting Schedule:** On a motion made by Mr. Walmsley and seconded by Mr. Perry, the 2021 Economic Development Incentive Fund Commission meeting schedule was approved by a unanimous vote of the members present.

- B. **Update on Program & Metrics:** In Fall 2020, an application from a local business was submitted to the Economic Development Incentive fund for consideration and final approval by the County Commissioners. Due to this specific request of funds, Commissioner Steve Wilson has requested a review of the program. Why are businesses not going to a bank to receive funding? Should the EDIF change from a grant to a loan program? Mrs. Tinelli will present to Commissioner Wilson the recipient tracking numbers from the inception of the program to date. Mr. Walmsley has agreed to join Mrs. Tinelli during the meeting with Commissioner Wilson.
 - C. **Review Fund Balance:** There is currently \$246K left in the EDIF account. This total reflects the balance after Chesapeake Environmental Lab receives their funding.
 - D. **Capital Budget Request-Replenish Fund:** After the meeting with Commissioner Wilson and a formal presentation is given to the County Commissioners, the Economic Development Incentive Fund board would like to make a funding request to the Commissioners to bring the fund balance back up to \$300K.
 - E. **Review of Revised Policy & Program Guidelines-**The board received a copy of program guidelines that was revised in the Fall of 2019. Chairman, Mike Whitehill suggested adding some verbiage about allowing grants to non-profit organizations.
 - F. **Board Positions:** Mr. Walmsley and Mr. Glen's board positions expire in May 2021. Both gentlemen are interested in re-applying to serve on this Commission. They will each send formal letters to Mrs. Tinelli.
 - G. **Other New Business:** Mrs. Tinelli will be meeting with Sudlersville Laundromat in the beginning of February to receive a tour of their facility and discuss employment numbers. She will report back to the EDIF Commission at the February meeting.
- VII. **Adjournment:** On a motion made by Mr. Perry and seconded by Mr. Walmsley, the regular Commission meeting was adjourned at 10:15 a.m.