

ECONOMIC DEVELOPMENT INCENTIVE FUND COMMISSION

Business Meeting Minutes for March 15, 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

Todd Mohn, County Administrator

Staff Present:

Heather Tinelli, Director, Economic & Tourism Development

Lisa Gallow, Office Coordinator, Economic & Tourism Development

Others Present:

Robert Laraway DDS, Owner, Kent Island Orthodontics

Linda Friday, President, Queen Anne's County Chamber of Commerce

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 January 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. The rebranding process is well underway with Choptank Communications. The goal is to have the rebranding project completed by June 2021. The Economic Development special sessions Comprehensive Plan Zoom meeting is scheduled for April 1, 2021. Interviews for the new Career Technology Liaison will take place this week. The liaison will work for Queen Anne's County Economic & Tourism Development, coordinating closely with local businesses as well as Kent County and Queen Anne's County Public Schools. Governor Larry Hogan and the State of Maryland authorized two rounds of funding for Queen Anne's County restaurants. The first round of funding awarded \$433,513 to Queen Anne's County and was allocated by December 31, 2020. The second round of funding of \$266,109 is in the final stages of disbursement. 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. All Hotel Industry funding has been awarded and disbursed to local businesses. 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. There were 15

applicants for this grant funding opportunity. Queen Anne's County will be hosting the new combined Bay Bridge Boat Show April 15th-April 18th at Bay Bridge Marina. This is the largest in-water power and sailboat show in the Mid-Atlantic. The department has been assisting the Eastern Shore Sea Glass & Coastal Arts Festival to hold an event in Queen Anne's County. This event is currently scheduled for April 24th & 25th at the old Kent Narrows Outlets.

V. **Old Business:**

- A. **Chesapeake Environmental Lab-Update:** Chesapeake Environmental Labs application to the Economic Development Incentive Fund Commission requested \$50K in funding for the purpose of purchasing a Promium Element LIMS system which is a Laboratory Informational Management System. 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 is also 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 requested full disbursement of funds. They have purchased the Promium Element LIMS system and are currently finishing up employee training.
- B. **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. County Attorney, Patrick Thompson has filed suit against Authentik Solutions, which has been received by the company. Mr. Ciras responded by proposing a full re-payment of the loan (\$46,900) plus interest (3%) over the next 22 months satisfying the loan re-payment by December 31, 2022. Re-payment is proposed to begin the second quarter of 2021. On a motion made by Mr. Walmsley and seconded by Mr. Mohn, the EDIF is recommending agreement to the proposed re-payment plan upon receiving a personal financial statement from Mr. Ciras along with the first payment of \$1,000. The Commission will not allow any defaults on the re-payment plan or the suit will be reinstated with no additional recourse.
- C. **Membership Update:** Mr. Walmsley and Mr. Glen's board positions expire May 2021. Both gentlemen have reapplied and were approved by the County Commissioners to sever another term on the Economic Development Incentive Fund Commission.
- D. **Fund Balance:** There is currently \$246K left in the EDIF account. \$80K in the Bridge Fund has the possibility of being transferred to the EDIF account. Should this transfer occur, the fund would have \$326K. After final disbursement to Kent Island Orthodontics for \$50K, the fund balance would be \$276K.
- E. **Score Meetings:** Per EDIF agreement terms, recipients are required to meet with SCORE quarterly. These meetings have not been occurring regularly over the last year due to COVID. Those recipients that were able to meet with SCORE include Open Seas Coffee Roasters, Ten Eyck Brewing, Smoke Rattle & Roll (now Barbeque Bueno and The Station Steak & Grill), Cult Classic Brewing Company, and Sudlersville Laundromat. Both Shore Scan and The Edge have met their agreement terms and are no longer required to attend quarterly meetings. Mrs. Tinelli will follow up with those recipients who have not met with SCORE and begin scheduling meetings for April.

VI. **New Business:**

- A. **Laraway EDIF Application:** Robert Laraway DDS presented to the board on behalf of his recent application. Kent Island Orthodontics has submitted an application to the Economic Development Incentive Fund Commission requesting funding for the purpose of purchasing sterilization equipment, vacuum pump, compressor, 3-D printer, cure box, vacuform machine, print resin, plastics and a delivery cart to set up a fully digital lab with the ability to manufacture products in-house while providing low cost but high-quality orthodontics to children and adults in and around Queen Anne's County. On a motion made by Mr. Glen and seconded by Mr. Walmsley, the EDIF is recommending the Commissioners approve \$50K for the purchase of equipment with the incremental creation of ten (10) full-time jobs, and two (2) part-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. This recommendation will be presented to the County Commissioners at their March 23, 2021 meeting.
- B. **Meeting Format (Zoom vs. In-Person):** Zoom meetings will continue for April and May before potentially returning to in-person meetings in June 2021.

- VII. **Adjournment:** On a motion made by Mr. Walmsley and seconded by Mr. Mohn, the regular Commission meeting was adjourned at 10:27 a.m.