



**Business Meeting Minutes for May 25, 2022**

**I. Call to Order and Determination of Quorum:**

The business meeting was called to order by Chairman, Jesse Parks 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:

Jesse Parks, Chairman  
Heather Bacher, Vice Chair  
Lee Bridgman, Secretary  
Ed Beres, Treasurer  
Brian DeMoss  
Jim Reilly  
Jaime Thompson (Zoom)  
Deayna Ewell  
Shelly Gross-Wade  
Lara Wilson  
Larissa Costello  
Hazen Arnold

**Economic Development Commission:**

Jesse Parks, 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

Not Present:  
Shawna Truitt  
Jeremy Reynolds

**Staff Present:**

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

**County Commissioners:**

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

Others present:

Jack Wilson, Queen Anne's County Commissioner  
Gigi Windley, Director, Kent Narrows Development Foundation  
Nancy LaJoice, Sr. Business Dev. Representative, Dept. of Commerce (Zoom)  
Mike Arntz, Community Liaison, Congressmen Andy Harris  
Connie Dean, Career Tech. Liaison, QAC Economic & Tourism Development  
Steve Johnson, Planner, QAC Planning & Zoning  
Paige Tilghman, Economic Development Manager, Town of Centreville  
Jody Schulz, Owner, Fisherman's Village, KN Boatel, Hyatt and KNDF Chair  
Grayson Middleton, Eastern Shore Outreach Coord., Office of Governor Hogan  
Linda Friday, President, Queen Anne's County Chamber of Commerce (Zoom)  
John Foster, SVN-Miller Commercial Real Estate  
Lanette Power-Waters, Communication Specialist, QAC Board of Education

**II. Approval of Agenda and Minutes:**

Agenda: On a motion made by Heather Bacher and seconded by Jim Reilly, the May meeting agenda was approved by a unanimous vote of all members present.

Minutes: On a motion made by Heather Bacher and seconded by Jim Reilly, the April meeting minutes were approved by a unanimous vote of all members present.

**III. Treasurers Report:** Mr. Beres, Treasurer, stated the account managed by Chesapeake Charities has a current balance of \$2,803.26.

**IV. Commissioners Report:** Queen Anne's County Commissioner, Jack Wilson, provided an update to the board on behalf of the County Commissioners:

- A.** At the previous evenings' County Commissioner's meeting the Comprehensive Plan was passed.
- B.** The third and final Public Budget Hearing Meeting is scheduled for this evening. There will be no tax increases.
- C.** The Commissioners anticipate another round of A.R.P.A. (American Rescue Plan Act) funding in July which they will utilize for infrastructure projects.
- D.** Governor Hogan's 50-million-dollar Bill passed which will allocate 10 million to each Regional Council in the state. Kent, Queen Anne's, and Cecil counties will be the beneficiaries for the Upper Shore Regional Council. Each county will receive 2.9 million and 1.3 million will be used for regional projects.

Funds will be vetted through Economic Development departments. Some projects that have been discussed for the county funds include:

- i. Refurbish the 4-H Park- Currently utilized for the QAC Fair and Ag Events and potentially host the Delmarva Chicken Festival.

1. Building Repairs
2. Wi-Fi Hook-Up
3. Phone Connection
4. Stormwater Management
5. Broadband upgrade/expansion in the Chesapeake Bay Business Park

Regional Funds may be utilized to create a Regional Technology Center at Chesapeake College and support the CTE programs to focus on more career path options for students.

- V. Department of Economic & Tourism Development Update:** Heather Tinelli, Director of ED & Tourism Development, provided an update for the EDC members and liaisons.
- A.** The department has finalized the grant writing for the Ferry Project Feasibility Study and the County Commissioners have approved the \$25,000 matching funds needed, should the grant be awarded. The department continues with weekly planning meetings with Visit Annapolis, Anne Arundel, Somerset, Talbot, St. Mary's, and Calvert counties. AA County and Visit Annapolis are the lead on the application, but QAC has provided a great deal of ED support.
  - B.** Staff has recently attended ribbon cutting ceremonies for KI Urgent Care, Refill Goodness and Libbey's (formerly Hemingway's Restaurant).
  - C.** Eastern Shore Urgent Care, which will be in north county, was awarded an EDIF loan to purchase radiology equipment.
  - D.** S.C.O.R.E. members continue to meet with EDIF recipients to support and offer guidance with business strategies and goals.
  - E.** Staff recently toured Signtex, a company located in Grasonville that specializes in manufacturing of architectural quality emergency lighting systems.
  - F.** Staff have been participating on the Broadband Advisory Committee to help facilitate the potential upgrade/expansion of broadband access for businesses in the Chesapeake Bay Business Park
  - G.** The department is looking to revamp the Revolving Loan Fund that has not been utilized in many years. This could help businesses that are looking to expand or start up.
  - H.** Staff attended the Chamber of Commerce Regional Mixer held at Chesapeake College.
  - I.** Continue to meet one on one with other local ED Departments. Most recently have met with Talbot, Visit Annapolis, Kent, and Caroline Counties to discuss current projects, goals and ways in which departments can collaborate.
  - J.** Ms. Tinelli stated she is still in the interview process to replace the Marketing & Tourism Destination Specialist position and hopes to have news to share soon.
  - K.** Continue to meet monthly with Media One to discuss statistics and tracking results for digital marketing campaign.
  - L.** Created a new full-page ad for summer season and have utilize in latest Chesapeake Bay Magazine and Edible Delmarva ads.
  - M.** Continue to attend regular MD DMO meetings hosted by Md Tourism.
  - N.** Met with members of the Watermen's Association to begin planning for the 2022 Crab Basket Tree event.
  - O.** Bay Bridge Run is set for Nov. 12, 2023, and the department is currently working with Corrigan Sports to develop the MOU with the county and MDTA. Working with Corrigan to support their needs as well as the need for the county tourism assets to be adequately met.
  - P.** The department continues to support the Stevensville A&E District Board which have recently created By-Laws as well as a MOU with the county. Both will now be submitted at

the next Commissioners meeting for approval. The committee continues to work through the restructuring process as they prepare for their 10-year District Renewal through MD State Art Council in 2023. They have also applied for a \$50,000 Safety Grant for traffic calming projects in downtown as well as a \$10,000 Grant to rebuild their website and support other projects.

- Q.** The KI Historical Society hosted Kent Island Day on May 21<sup>st</sup>. Staff participated in the parade.

**VI. Economic Development:** Rebecca Lepter provided additional ED information.

- A.** Ms. Lepter continues to work with Sudlersville on their Sustainable Community Action Plan. The department gave a presentation to the Council of Governments and sent a request to all the municipalities asking for information that is needed to assist them with enhancing their economic development strategies and infrastructure.
- B.** Ms. Lepter shared details of the Workforce Recruitment & Retention Workshop that QAC ED will be cohosting with QAC Chamber of Commerce on June 9<sup>th</sup> here in the Barrett Room at 8:30 a.m. A panel of 6 speakers to speak to local businesses regarding workforce development resources that are available to employers.

**VII. Workforce Development:** Connie Dean, Career Technology Liaison, shared updates regarding current activities and projects.

- A.** Recently created a rack card that contains a QR code linking directing to the Workforce Development landing page of the Choose Queen Anne's website. This rack card was disseminated to all seniors in the graduation packets given to them the last week of school. A mass email also went out to businesses encouraging them to share entry level positions that will be posted on our website. Outreach efforts resulted in a strong response from the business community. Ms. Dean is loading all the job listings onto the website and will be working with Kent County High School today to set up the same program.
- B.** Maryland Business Round Table - A program that trains business leader volunteers to give lessons on financial literacy, career development as well as their experience, advice, and business details to prepare and motivate students. QAC has not been active with the program because most volunteers are on the western shore, but Ms. Dean has been trained and is providing opportunities for other business leaders in our area to be trained as well. The program also offers other services like mock interviews and other valuable lessons.

**VIII. Liaison Reports**

- A. Kent Narrows Development Foundation:** Gigi Windley, Executive Director provided an update on behalf of the Kent Narrows Development Foundation:
  - i. KNDF receive a \$100,000 Safety Grant for pedestrian wayfinding.
  - ii. The proposed Text Amendments that were discussed at the last EDC meeting will be presented after the Comp Plan. The dates have not been released yet but KNDF will be watching those closely.
  - iii. KNDF did a piece with Delmarva Life on WBOC, and she will be posting links to that on their website.
  - iv. Hyatt place is coming along nicely and hoping for a late fall opening.
  - v. The Dock House Restaurant is hoping for a July opening.
  - vi. Getting ready to produce their updated version of their Travel Guide.
  - vii. Kent Narrows hotels have shared that they are experiencing more leisure travel throughout the weekdays as opposed to previous years when it was more concentrated on the weekends.

- viii. Recently updated their Kent Narrows Visitors Map.
- ix. Chesapeake Motoring Festival will be at the KI Yacht Club on June 4<sup>th</sup> and 5<sup>th</sup>.
- x. KI Yacht Club is sponsoring an Air Force/National Guard Band Concert on June 25<sup>th</sup>.

**B. QAC Chamber of Commerce-** Linda Friday, President, provided updates:

- i. Hosted their annual golf tournament two weeks ago.
- ii. Working with businesses in the business park doing certifications for those businesses that ship outside of the country. When shipping outside of the country the businesses must have their product certified by a Chamber of Commerce.
- iii. Continue to work on health insurance opportunities for small businesses. Previously, the number of employees was required to be 10 or under but has now been raised to 15. They are hoping to be able to offer the insurance through the Chamber by July of 2023. Hopefully will provide an affordable solution to small business owners who can offer health insurance as an incentive.
- iv. Hoping to use some of the Upper Shore Regional Council Grant funding to bring back Project Bright Future.
- v. Have attended many ribbon cutting ceremonies for local businesses that are opening or expanding.
- vi. The QAC Chamber will once again be organizing the QAC Goes Purple Campaign in September with a kickoff event in downtown Centreville on September 10<sup>th</sup>, 2022.
- vii. Hosted the Regional Chamber Mixer at Chesapeake College and recognized Buck Duncan.

**C. Real Estate Update:** Ed Beres, Executive with RE/MAX Realtor, provided an update for the committee.

- i. Residential real estate is still going strong.
- ii. Still have a major issue with inventory.
- iii. First time in years that the National Association of Realtors has seen a decrease in agents. Lost 30,000 last month nationwide.
- iv. QAC as a whole is getting 106% of the list price.
- v. Active days on the market for QAC as a whole is 32 days.
- vi. At the end of April, the entire county had 127 active listings compare to 5-year average of 267.

**D. Chesapeake College:** Dave Harper, VP of Workforce & Academic Programs at Chesapeake College provided was unable to attend but provided an update that Jesse Parks shared with the committee:

Chesapeake College continues to partner with the Workforce Investment Board to host Program Advisory Council meals semi-annually. These provide an avenue for business and industry experts to inform curriculum, lab equipment, and other instructional decisions. The next event will be a fall breakfast on our campus. Individuals interested in serving should please send an email to Marci Leach, Director for Program Development: [mleach@chesapeake.edu](mailto:mleach@chesapeake.edu)

Yesterday MSDE approved the College's Maryland Lead Grant proposal, positioning Chesapeake as a partner in helping expand the pipeline for local teachers, through the "Grow Your Own" initiative. The College looks forward to partnering with K-12 partners on this important initiative. On Wednesday, May 11, Chesapeake hosted the Shore Leadership group, featuring campus tour and discussion of workforce programming and economic development

- E. QAC Planning and Zoning-** Steve Johnson, Planner with QAC Planning and Zoning, provided an update.
- i. Eastern Shore Mixed Use Development for commercial/apartments received final signatures.
  - ii. Two concept plans are going to Planning Commission on June 9<sup>th</sup>. One is the Chesapeake Square Apartments and the second is KI Crossing off Piney Creek Road.
  - iii. Received an application from Mallard Homes for an apartment building directly behind Cult Classic
  - iv. Text Amendments are scheduled to go to Planning Commission on June 9<sup>th</sup>.

- F. MD Department of Commerce-** Nancy LaJoice, Sr. Business Development Representative, had to excuse herself early from the meeting but provided an update that Ms. Gallow shared with the committee members.

Our employers continue to struggle with recruiting efforts. The good news is it is not a local or regional challenge. All states are facing this. The supply chain issues are also a top challenge that are affecting business growth.

- G. Town of Centreville-** Paige Tilghman, Economic Development Director, shared an update for the Town of Centreville.
- i. Town of Centreville continues to work on its Comp Plan and is hoping to have it ready for approval by early fall.
  - ii. The council agenda for June 2<sup>nd</sup> will put forth a vote on an ordinance change the limits for a convenience store square footage.
  - iii. The YMCA continues its project for the approximately 40,000 square foot facility.
  - iv. DTI expansion is nearing completion.
  - v. Centreville Business Park infrastructure and development is ongoing for a 38,000 square foot flex space.
  - vi. Makers Festival (Drink MD) will be June 18<sup>th</sup> in downtown Centreville.
  - vii. Farmers Market is open weekly on Sunday mornings from 9am to noon in Court House Square.

- H. Office of Congressman Andy Harris-** Mike Arntz, Community Liaison for Congressman Andy Harris, was present to provide a brief update.
- i. Congress is in session this week.
  - ii. Health and Human Services Committee, of which Congressman Harris is a member, is focused on the teacher shortage issue and implementing a program that will increase teacher numbers.
  - iii. Later today there will be an Ag Committee Meeting where they will address the baby formula issue.

- I. QAC Board of Education-** Lanette Power-Waters, Communication Specialist for QAC Board of Education, provide an update on behalf of the Board of Ed.
- i. They are experiencing a teacher shortage and are trying to retain as many as possible.
  - ii. QAC Board of Ed was approved for the Maryland Leads Grant. They applied for seven different strategies and were approved for all seven. One of the strategies approved was Grow Your Own so they are advocating for our students in high school

to pursue teaching degrees. Adam Tolley will be sending out an email to ask what businesses think the Board of Ed needs to ask for to provide training for our students in school.

- iii. QAC and KI High Schools graduate this year on June 1<sup>st</sup> and June 2<sup>nd</sup>.
- iv. Excited to announce that 8 million dollars in scholarship money was given to our seniors.
- v. KI Boys Lacrosse just won State Championship!

## IX. New Business

### A. **Commercial Real Estate Market Analysis-** John Foster with SVN Miller Commercial Real Estate joined us today to share details regarding local and regional commercial real estate market trends.

- a. Huge increase in small office space during Covid for individuals that couldn't necessarily work from home.
- b. Rental space fees increased from \$17 a square ft. to \$25 a square ft.
- c. Retail has stabilized quite a bit most likely due to 4 Seasons and other residential projects coming to the region.
- d. One of the biggest transitions they have noticed is Industrial Sector with a lot of flex space and manufacturing and logistics. As Covid has completely changed the way industrial sites worked. One of our biggest assets is our location for industrial businesses to relocate from northern end of 301 in Middletown and southern end in Annapolis. With the introduction of the new 301 bypass which logistically has made it much easier for tractor trailers and even commuters. From Northern QAC you can be in Wilmington in less than 45 minutes and to Philly and Baltimore in just a little over an hour. Logistically for distribution and manufacturing that is a huge plus for our region.
- e. There is a need for additional large business park facilities like KRM in upper county however broadband issues and infrastructure (water and sewer allocation) is a challenge. They have seen where many of the tenants are taking on the expense of the infrastructure requirements with lowered rental rates to offset the cost. Would be a huge way to grow employment numbers and add jobs.
- f. In the last year commercial real estate has gone from \$6 to as much as \$9 per square ft. As supplies become more scarce and build outs more expensive, rental fees will continue to increase.
- g. Recently heard a statistic that for the next 3 years Amazon has their name on 80% of the structural steel being produced in the US.

Jesse suggested that it would be beneficial to also research potential pockets of natural gas as larger commercial business while require the use of natural gas in some form. This could potentially open up more options.

### B. **Beacon's Economic Resiliency Survey-**Ms. Tinelli shared an infographic flyer and details with the committee members. Queen Anne's County businesses have been asked to participate in the survey and very interested in all the statistics and information that will be gained by our involvement. Ms. Tinelli has spoken to many of our neighboring counties that

have previously participated, and they have said it was a good experience and they will participate once again.

- C. Revolving Loan Subcommittee-** Ms. Tinelli explained that we still have funds in the Revolving Loan Fund but have not use the program in many years. She would like to rework and simplify the program so the approximately \$400,000 in funds can be utilized by local businesses. Ms. Tinelli is looking for some volunteers from the EDC to help with this process.

#### **X. Old Business:**

**A. Agritourism Tour-** Ms. Lepter shared details pertaining to the upcoming Agritourism Tour planned for June 20<sup>th</sup>, 2022. The tour will consist of stops at Cascia Winery, Big Truck Farm Brewery, Wye Branch Manor, Godfrey's Farm, and Patriot Acres Farm Brewery. The members of the EDC and TTAC are invited to join. Participants will meet business owners, get a tour of their facilities, an understanding of their vision for the future, and discuss ways to support current and future agritourism businesses.

**B. New Business Committee-** Heather Bacher provided a brief update for the commission members and liaisons. The committee created a google drive and spreadsheet to easily share and update with new business listings. The committee will start meeting directly after the EDC meetings to discuss new businesses on the list, choose which will be visited and set the date for the visits. This date and details will be shared with individuals that have asked to be included on the New Business Committee. There are currently 10 new businesses on the list. The committee will try to visit a minimum of 3 to 4 businesses per month and continue to share bags containing giveaways and local information. If you have something you would like to include in the welcome bags please reach out to Heather Bacher.

- IX. Adjournment:** On a motion made by Larissa Costello and seconded by Jim Reilly, the board unanimously approved the adjournment of the meeting at 10:25 am.