

# ECONOMIC DEVELOPMENT INCENTIVE FUND COMMISSION

## **Business Meeting Minutes for August 17, 2020**

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

The meeting was called to order by Chairman Mike Whitehill at 9:03 a.m. Due to COVID-19 restrictions, the meeting was held virtually, and a recording of the meeting is available. The following board members were present and represented a quorum:

Mike Whitehill, Chairman  
Thomas Glen  
Patrick Perry  
Todd Mohn, County Administrator

Not present:  
Bill Walmsley

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

### **II. Approval of Agenda:**

On a motion made by Mr. Perry 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 previous meeting minutes for the June 15, 2020 meeting were approved by a unanimous vote of the members present.

### **IV. Department Update:**

Ms. Tinelli shared that Jean Fabi had resigned as Economic Development Manager but they have re-hired Danielle Dutra, former Administrative Assistant, to work remotely. Ms. Dutra has been a great help with converting and downloading the new CRM software with both Economic Development and Economic Development Incentive Fund contacts and documents.

Ms. Tinelli updated the Commission on the Queen Anne's County Small Business Assistance Fund grant that ended on July 31, 2020. To date, approximately 192 local businesses have been awarded funding. Out of \$2.5 million allocated, \$2.29 million has been awarded to date. The department will now switch their focus to the task of collecting receipts and documents from these businesses to validate the funds have been utilized as stipulated in their applications. Ms. Tinelli also shared that the committee has allocated \$100,000 to a Sanitation Fund that will provide grants to local businesses that have had cleaning expenses due to employees testing positive for COVID. The maximum allowed is \$5000 and businesses must submit an application along with receipts and proof of payment for services. The department also confirms the need for cleaning with the Queen Anne's County Health Department.

Ms. Tinelli stated the commissioners signed an MOU with Upper Shore Workforce Investment Board for a new workforce development program funding by existing CDBG Small Business funds. This program will assist local businesses looking for employees and pair them with Queen Anne's County residents that are under or un-employed with living wage careers.

There are some retailers that are showing interest in the space previously occupied by Kmart. The department has provided detailed demographics and statistics that have been very useful and will continue to be utilized for future developments in the region.

Ms. Tinelli recently visited a new company that has relocated from Baltimore and purchased a facility in the industrial park in Stevensville. The company, Itaberco, Inc, is a food manufacturer that produces dry blends and flavor pastes for Italian gelato and dessert fillings. They will open in October with 18 to 20 employees and eventually make a full transition by summer of 2021 with 30 employees.

**V. Old Business:**

**A. Status of Disbursements:**

Ms. Tinelli shared that a check was disbursed to Lab Leasing for \$50,000 and she recently visited the facility to view the new equipment that was purchased. The machine that was purchased is the only one of its kind in this region, significantly increases capacity and it will allow the company to now process mail order testing. Ten Eyck Brewery is now open and is experiencing a promising response. There will be a disbursement of \$25,000 being processed for Ten Eyck in the near future.

Ms. Tinelli has contacted Wood Ingenuity as well as Authentik Systems regarding payments due but has yet to receive a response. The committee agrees that further action will need to be taken to contact these businesses and Ms. Tinelli will be following through with this request. She shared that they did receive a payment of \$14,000 from Mid-Atlantic Microbial.

Ms. Tinelli has had contact with Corsica technologies and they are now in good standing. The company stated they will not be utilizing the additional \$151,000 in funds but have not provided the 2<sup>nd</sup> quarter employment status. The EDIF agrees that the employee status could be adjusted based on the funds they utilized, and they would like to set up a time to speak to them and tour the facility. Ms. Tinelli will follow through with coordination of this request.

**VI. New Business:**

**A. Review of FY21 Funding:**

The current budget is \$273,759 which includes the \$151,000 that will not be utilized by Corsica Technologies. This total is prior to \$25,000 disbursement to Ten Eyck Brewery.

Ms. Tinelli shared that a request for \$125,000 to replenish Economic Development Incentive Fund was submitted and not approved due to current budget restraints. Mr. Whitehill asked Mr. Mohn if this would be something that would be revisited at a later time in which Mr. Mohn responded that it would be discussed as new revenue comes into the budget.

**B. Shines Like Stars Preschool Application:**

Shine Like Stars was previously located in the Historic Christ Church in Stevensville, MD but were given a date of June 30, 2020 to vacate the property. The church was turned over to the Friends of Christ Church to be utilized as a space for Arts & Entertainment events, community events and wedding venue. The County Commissioners awarded Shine Like Stars \$25,000 to assist with relocation. Shine Like Stars is still occupying the space at the church and is not current on their rent. They are seeking \$50,000 in additional funds to cover the costs of renovating the new space located in the BAAR Building in Chester. Ms. Tinelli explained that the Economic Development Department has met with Shine Like Stars and invited other entities like SCORE, SBA etc. to offer suggestions and guidance. To the best of their knowledge, Shine Like Stars have not utilized these suggestions or pursued other funding opportunities such as the SBA 504 or Neighborhood Business Works. The paperwork submitted does not include a business plan or employment plan and the main source of funds for the project is \$25,000 from the

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county and \$20,000 from the owner's personal funds. The renovation estimate is for 85,000. Mr. Whitehill asked if it would be an option to utilize the space available with minor improvements to meet required regulations in addition to and COVID requirements without the massive \$85,000 reconstruction/leasehold improvements? Other concerns, due to the delay of the owner, is that the construction will not be concluded for an extended amount of time and parents will, or have already, pursued other options due to the school year beginning. In conclusion, the EDIF would require more details, a business plan, an employment plan showing staffing projections and verification of \$20,000 personal funds before they will be able to consider funds to Shine Like Stars Preschool. The Economic Development Incentive Fund Commission questions if they are the best source for Shine Like Stars needs and would like an explanation as to why other lending opportunities have not been pursued.

### VII. Adjournment:

On a motion made by Mr. Perry and seconded by Mr. Glen, the commission unanimously approved the adjournment of the meeting at 10:00 a.m.