

## **Talbot County Economic Development Commission Meeting Minutes for Thursday, June 1, 2017**

**Members Present:** Chairman, Timothy G. Jones; Walter Chase, Gerald O'Mara, Craig Wanner, Ron Engle, Ted Bautz, Scott Beatty, Jacqueline Wilson, Al Silverstein, Dr. Clay Railey, Andrea Lev, Jennifer Shull

**Members Excused:**

**Ex Officio Members Present:** Jennifer Williams, Mike Henry, Cassandra Vanhooser, Sam Shoge, and Ryan Snow

**Attendees:** Scott Warner, Debbie Bowden

**Call to Order:** Mr. Tim Jones called the meeting to order with a quorum at 8:01 a.m.

**Approval of Minutes:** Minutes from the May meeting were presented and accepted by a unanimous vote.

**Chairman's Report:** Mr. Tim Jones indicated that follow-up meetings after each town's listening session were held with elected officials and the results of the information gathering from their respective municipalities were discussed. Mr. Jones opened a discussion with the Economic Development Commission about how the data should be interpreted and reported. Ms. Cassandra Vanhooser reported that on Wednesday, May 31, 2017, the department staff met with Mr. Joe Thomas—an experienced strategic planner for government organizations and a distinguished professor at the United States Naval Academy—to discuss the process of analyzing the data collected from the listening sessions and building an actionable plan. Ms. Vanhooser indicated that the process was vast and that the idea of hiring someone short term to help give guidance through the process was favored by the department. She further stated that occasionally, during the summer, the EDC office will be calling on individuals, or groups to make an input.

Ms. Vanhooser explained that in the meantime, the department had begun to synthesize the listening session feedback and that key points were being identified. Mr. Jones suggested "Getting Assistance with Big Government" as a possible category as that seemed to be a common thread in the listening sessions. Ms. Vanhooser stated that the comments garnered from the listening sessions were very diverse and surmised that about ten pages of notes, single spaced, were documented. Ms. Vanhooser indicated that the goal is to have the plan completed by October 1, 2017, and to make a presentation to the EDC by Thursday, October 5, 2017, at the regularly scheduled EDC meeting.

Mr. Shoge added that the goal was to keep everyone updated along the way and to make it an inclusive process. He further stated that the EDC will be relying heavily on the Strategic Planning Committee through the process to make sure that everything is reflected not just from the listening sessions, but from the Commission members also.

Mr. Tim Jones expressed that he would like to have a conversation with the Economic Development Commission about its role moving forward and what the focus of the commission

should be. Mr. Scott Beatty stated the Strategic Plan would further determine the mission and scope of the EDC and its committees. Mr. Shoge then expressed appreciation to those EDC members who serve on the various committees and Ms. Vanhooser specifically expressed gratitude to the Breakfast Committee for their input in the success of the Business Appreciation Breakfast.

**July's Meeting Suspended:** A motion was made by Mr. Beatty to suspend July's meeting and reconvene in August since the Chairman and several other EDC members will be on vacation. The motion was seconded by Mr. Ted Bautz and the vote passed unanimously.

**Maryland PACE:** Mr. Gerald Neely gave an overview of the Maryland Property Assessed Clean Energy program (PACE) to the Commission and then invited questions from the group. In introducing PACE to the Commission, Mr. Neely explained that PACE is an economic development tool that is customized for commercial building owners including offices, warehouses, and not-for-profits. He stated that PACE is a two-step legislative process that begins with the State of Maryland General Assembly passing an enabling statute that allows MD counties to then opt in. Maryland passed legislation in 2014 and since then, 12 jurisdictions in the state of Maryland have opted into the program. PACE connects businesses and not-for-profits with financing from designated PACE lenders to use for energy efficiency upgrades. Businesses can use financing to install solar panels, high efficiency lighting, installing new boilers, and HVAC upgrades are all examples of projects that can be financed by PACE. The loans from the designated PACE lenders are structured over a long term—up to 20 years—and are set up to be cash flow positive (i.e. money saved from energy efficiency upgrades is greater than annual loan principle). What makes PACE unique is that loan repayment is attached to the properties tax bill by the local government tax office and is repayed through the tax assessment office. Therefore, the loan can be transferred from one building owner to another in the event of a sale of the property.

During the question and answer session, Mr. Al Silverstein asked if local banks can participate in the program by providing financing. Mr. Neely stated that local banks can participate in the program and said his organization wanted as many capital providers as possible. Mr. Bautz asked if MD PACE was in discussions with the other counties on the Eastern Shore to enable this program. Mr. Neely responded that he was going to Cecil County after this meeting to meet with their economic development team. He further stated that he was in contact with Wicomico, and Worcester Counties and they are exploring the program. Kent and Queen Anne's County have adopted MD PACE legislation. Ms. Vanhooser asked if there was a minimum financing figure companies had to apply for. Mr. Neely responded stating it will depend on the local legislation that enables PACE as they are free to set their own criteria. He said that most jurisdictions have established a \$25,000 minimum. In response to Mr. Beatty's question regarding who underwrites the loans companies are receiving through the PACE program, Mr. Neely indicated that it would be a private capital provider. He clarified to the Commission that his organization was just the administrator, but the lenders are the ones who are the underwriters. Mr. Silverstein made a motion to recommend the County Council adopt PACE enabling legislation with a \$25,000 minimum project cost. The motion was seconded by Mr. Bautz and carried unanimously.

**Marketing Committee Report:** Mr. Sam Shoge stated the department was in the process of debuting a new Economic Development website with the help of Cake & Eat It Designs. He also said that from the joint marketing committee meeting held with members from the Tourism Board and Economic Development Commission; it was further clarified that the department would continue to operate two separate websites since both departments have very distinct audiences. Mr. Shoge further stated the graphics designer was preparing to showcase a logo that would depict the cohesiveness of the two offices under the Department of Economic Development and Tourism. The new logo will be presented to the EDC in August. Mr. Shoge also announced the results of the EDC vote to rename the former Black and Decker Building and “The Talbot County Manufacturing and Trade Center” was selected by popular vote. A motion was made to forward the proposed name to the County Council for adoption. The motion was seconded and carried unanimously.

**Talbot County Travel Guide:** Ms. Vanhooser shared that 50,000 copies of the new Talbot County Travel Guide were printed and are available for recruitment efforts. She further stated that about 10,000 of these are mailed directly to people who request them. Such requests are primarily channeled through lead generating advertisements that are placed with the State of Maryland. Ms. Vanhooser encouraged the group to take advantage of the new brochures and any other material that the Tourism office provides.

**Chesapeake College:** Mr. Tim Jones reported that May was a great sustainability month at Chesapeake College as the Health Professional Center was awarded LEED Platinum status and the campus will move forward with a storm water management plan to reduce effluent going into the Wye River. Furthermore Dr. Clay Railey reported that Chesapeake College is in the process of working on its articulation agreement with Talbot County Public Schools in the CTE programs including: Advanced Manufacturing, Construction Management, and eventually Cyber Security. Students will take their four CTE classes in high school earn twelve credits that will transfer to Chesapeake.

**Airport:** Mr. Mike Henry spoke of obtaining December 5, 2017 as the department’s scheduled FAA date. He also stated that the Airport is continuing its additional duty as a movie site. His department in conjunction with Cypher Agency will be filming a video for Bluewater Development Company on June 22, 2017. On the matter of TSA, Mr. Henry reported that the department was approved in March and Maryland Air, one of the department’s charter providers, met with TSA this week to get certified as an operator.

**Business Environment Committee Update:** Mr. Bautz reported the Enterprise Zone was approved by the County Council with 5-0 vote in a public hearing. The amended application will be forwarded to the State; a determination should be forthcoming by mid-summer.

**Easton Update:** Mr. Silverstein reported the Port Street Annexation project will be re-presented to the Council next Monday night.

**Oxford Update:** Mr. Dunbar reported the Wastewater Treatment Facility in Oxford, an estimated eight million dollar project, will have its ground-breaking this morning. Also in

Oxford, the two major restaurants which changed owners over the fall/winter are now fully operational.

**Department of Commerce:** Ms. Debbie Bowden spoke about several new incentive programs the Department of Commerce is developing namely, Jobs for Marylanders Act, Workforce Development Scholarships, and Job Creation Tax Credit. She explained that Jobs for Marylanders Act provides existing businesses refundable state income tax credit where there is a creation of ten or more jobs. Workforce Development Scholarships are geared toward students enrolled in job training at Community Colleges. She stated that when Job Creation Tax Credit was first introduced, it offered one thousand dollar tax credit for 25 new jobs created by any business. That program has been revised and now it is a ten-job start with a three thousand dollar tax credit. Ms. Bowden reiterated that both the regulations for the new incentive programs and the programs themselves are now being developed. She offered to provide more information in August.

**Commendations:** One member expressed admiration of the new decor at the Tourism office. Ms. Vanhooser, Director of Economic Development and Tourism, accepted the compliments graciously.

**Adjournment:** With business concluded, Mr. Silverstein moved to adjourn the meeting and was seconded by Mr. Bautz. The meeting was adjourned at 9:06 am.