

# DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

215 Bay Street, Suite #5 | EASTON, MARYLAND 21601 | (P) 410-770-8058 (F) 410-770-8059

# Talbot County Economic Development Commission Meeting Minutes from February 7, 2019

**Members Present:** Chairman Jackie Wilson, Ron Engle, Peter Dunbar, Cassandra Vanhooser, Reza Jafari, Micah Risher, Ted Bautz, Jean Weisman, Scott Beatty, Andrea Lev, Walter Chase, Margaret Enloe, Terenda Thomas, Shannon Dill, Tim Jones, Andy Hollis

Members Absent: Al Silverstein, Craig Wanner

**Department of Economic Development Staff Present:** Sam Shoge, Kathy Megahan

**Attendees:** Dana Newman, Scott Warner, Nancy LaJoice, Susie Hayward, Helga Einhorn, Scott Warner

**Call to Order:** Jackie Wilson called the meeting to order with a quorum at 8:04 a.m.

**Approval of Minutes:** Minutes from the December 6, 2018 meeting were presented. Mr. Bautz moved the minutes be accepted as written. Mr. Jafari seconded the motion, which passed by a unanimous vote.

Director's Report: Cassandra Vanhooser

Ms. Vanhooser reported on a meeting with Angela Lane, Talbot County Finance Director, to discuss funding of this year's incentive programs such as the Enterprise Zones. She also mentioned Governor Hogan will be attending the LLS fundraising at the BBQ Joint on Monday, February 11.

Chairman's Report: Jackie Wilson

Ms. Wilson reported on the need to elect a Vice Chair to the EDC. A request for volunteers was made.

A motion was made by Ms. Wilson and seconded to elect Reza Jafari as Vice-Chairman for 2019. The vote was unanimous.

A motion was made and seconded to confirm Ms. Jackie Wilson as Chairperson for 2019. The vote was unanimous.



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Ms. Vanhooser noted the need to replace EDC member Gerry O'Mara who, after serving several years on the EDC with distinction, announced he would not seek another term after his position expired in June of 2018. Ms. Vanhooser, along with Mr. Shoge, worked closely with Chairwoman Jackie Wilson and EDC member Shannon Dill to find a replacement to represent the agriculture sector. Ms. Vanhooser presented Ms. Donna Saathoff's name as the replacement candidate. Ms. Saathoff is the owner of Family Affair Farm in Cordova. The EDC voted unanimously to forward Ms. Saathoff's candidacy to the County Council for a vote of approval.

County Council Report: Chuck Callahan, Vice President Talbot County Council

Mr. Callahan reported the new council is settling in, they have had four meetings so far. He noted budgeting is always a challenge, especially after the revenue cap was voted down. This will affect possible land acquisitions, moving the Sheriff's Dept., and the Health Dept. Another big project for the Council is the development of Easton Point. One issue that needs to be resolved for the project to move forward is moving the county owned boat ramp. He feels very optimistic about the housing market and does not foresee a slowdown.

#### **Department of Commerce Report:** Nancy LaJoice

Ms. LaJoice reported on Friday, February 15 at 3:00 a 5-Year Citation from the Dept. of Commerce will be presented to Lyon Distilling at their location in St. Michaels. All members are invited to attend.

## Member Updates and Review of 2018:

## **Craig Wanner – Manufacturing (The Whalen Company)**

Mr. Wanner reported overall the Whalen Company had a good year in 2018; particularly getting the grant funding to develop the Mistletoe Farm project. This should help to retain and attract more manufacturing businesses to the county. Mr. Wanner noted the Chamber of Commerce MEBE program is critical to promote manufacturing in the county and educate county teachers on what opportunities exist in Talbot County. He mentioned a program at the State level called "Made in Maryland", which aims to promote and increase awareness of manufacturing throughout the State. Mr. Wanner is also working with "Untangled Minds" which uses private business to teach CTE students how a manufacturing company works.



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#### **Jackie Wilson – Banking Industry**

Ms. Wilson reported in 2018 the banking industry, saw stronger earnings, and despite slow loan growth the economy was stronger and consumer confidence was higher. She believes the most serious challenge in 2018 in the banking industry was rising interest rates. Locally there has been a decrease in the housing inventory and despite the economy being strong businesses continued to be cautious, resulting in slow mortgage growth with a possibility of construction falling off in the next twelve to eighteen months. Fraud and scams continue to be an issue for banks as well as competition from other banks. Looking ahead to 2019, Provident is expanding into Salisbury and Lewes, Delaware. Keeping up with new technology is vital in the banking industry and although people are doing more online banking, if they have a problem, they want to talk to someone in person.

#### **Ted Bautz – Commercial Real Estate**

Mr. Bautz stated 2018 was a year of transition in commercial real estate. Last years average selling price was down thirty percent over the past two years. He noted they are beginning to see price adjustment on some inventory and the amount of inventory has doubled. He sees a shortage of outside buyers, but investments and renovations by local buyers increased. Some incentives going forward such as the PACE program, Opportunity Zones, and expanding the Enterprise Zones, will better increase investments. Mr. Bautz mentioned some trends to be aware of include; a shortage of skilled labor, wage incentives and a possible minimum wage of fifteen dollars an hour could have a negative impact on local businesses. He sees growth potential in food processing companies and service businesses such as salons, food outlets, and e-commerce.

#### **Margaret Enloe – The Arts**

Ms. Enloe highlighted some of the data from the Maryland State Arts Council showing the economic impact of the arts on Talbot County. She stated several local art organizations are undergoing renovations, including the Avalon Theater and the Academy of the Arts. Ms. Enloe reported art sales at the Waterfowl Festival remain flat in the past couple of years, while visitor turn out in 2018 was very strong. She reminded members 2020 will be the Waterfowl Festivals fiftieth anniversary and an entire year of events is being planned.

#### Shannon Dill – Agriculture

Ms. Dill reported 2018 as "the year of the rain" in agriculture. This caused the need for many replants for farmers in the spring. This years weather has affected all commodities. Key crops such as soy beans and corn are among the commodities hit by China's tariffs.



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Ms. Dill is still waiting on the data from the 2017 Census. A continuing concern locally is crop damage from wildlife. They continue to work with deer management teams to help with this issue.

#### Walter Chase – Trappe

Mr. Chase reported on recent changes in the town of Trappe. He noted in the beginning of 2018 Trappe had two new restaurants open, but by the end of the year both restaurants had closed. He added some good news for Trappe in 2019 includes receiving a grant to expand the town sewer system and he is hopeful that the Lakeside development is moving forward.

#### Terenda Thomas - DLLR

Ms. Thomas reported this coming year there is a big push throughout the state for more apprenticeship programs. She said the Work Force Development office has hired an Apprenticeship Navigator. The Navigator in the Easton office is going to focus on the Pre-Apprenticeship program intended for the youth at the local high schools.

#### Micah Risher – Easton Airport

Mr. Risher reported on the state of the airport over the past year. He said the airport is poised for smart growth. Mr. Risher noted the airport receives revenue through airport fees, hanger fees, and fuel fees. For 2019 Mr. Risher reported the Naval Academy training program will bring 100 students this summer to the airport. He is also pleased to report they have started their Aviation Career Education (ACE) program

#### Tim Jones - Chesapeake College

Mr. Jones reported some changes at the college include; a new president, Dr. Clifford Coppersmith. He started his tenure in 2018, and the college saw its largest graduating class. The college started a new strategic plan, hired a new Director of Skilled Trades, who has developed new skilled trades programming. The first class filled within a week. Mr. Jones noted new programs in the colleges Manufacturing and Technology Center (MTC), particularly in the marine trade and manufacturing tech. Funding continues to be a challenge for the school.

**Adjournment:** With business concluded Mr. Engle moved to adjourn the meeting and was seconded by Mr. Jafari. The meeting was adjourned at 9:05 a.m.

Next meeting will be Thursday, March 7, 2019 at 8:00 a.m. at 100 W. Dover Street (TCFL)