



TALBOT COUNTY GOVERNMENT  
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 of March 5, 2020

**Members Present:** Chairman Jackie Wilson, Vice Chairman Reza Jafari, Ron Engle, Micah Risher, Scott Beatty, Chuck Callahan, Tina Jones, Jean Weisman, Cassandra Vanhooser, Margaret Enloe, Andy Hollis, Shannon Dill, Al Silverstein, Craig Wanner, Sandy Pepe

**Members Absent:** Walter Chase, Ted Bautz, Donna Saathoff, Terenda Thomas

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

**Attendees:** Scott Warner, Tracy Ward, Liz Connelly, Nancy LaJoice, Kimberly Kratovil, Susie Hayward

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

**Approval of Minutes:** Minutes from the February 6, 2020 meeting were presented. Mr. Jafari moved the minutes be accepted as written. Mr. Risher seconded the motion, which passed by a unanimous vote.

**Guest Speaker Series:** Michael Hoffmann, General Manager, The Inn at Perry Cabin

Mr. Hoffman is the General Manager of The Inn at Perry Cabin in St. Michaels. He opened his presentation by reminding the members that, in the past few years, Capital Properties acquired the Inn at Perry Cabin, followed by Harbourtowne and the LINKS at Perry Cabin, a championship 18 hole golf course. He said their plans continue to evolve and he will give an update on what the expansion plans are for Harbourtowne, which will be renamed 'The Lodge at Perry Cabin.' Mr. Hoffman added, "We are known for our nautical heritage with a sailing fleet, "Skip the Bridge" transportation from Annapolis, and other boating arrangements." Their golf course features the 17 Island green, which is larger than Sawgrass with almost identical distance at 147 yards.

The company views two competitive concepts. One concept is towards comparable, existing regional hotels and the other, is aspirational, towards well known luxury hotels that are competitors and represent what Perry Cabin 'wants to be.'



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With regard to performance, Mr. Hoffmann said Capital Properties leads the luxury concept segment in the Mid Atlantic. Year over Year growth is 2.5%. Revenue growth by available rooms is 5.5%. Their competitors all show negative growth numbers.

The property has two components to expanding; an increase by 64 rooms and 4 cottages and the addition of a club house/amenities building with a variety of facilities. The clubhouse will have fitness facilities, ballrooms, an outdoor pool and additional tennis courts. Other new features will include small auditorium or screening rooms and demonstration kitchens. There will be renovated interiors at the Lodge and 48 guest rooms with the Point Suites and connected golf villas.

The LINKS have been voted the #4 Best New Golf Club by Golf Digest. Mr. Hoffmann reported membership today is 106 members and growing. The Golf Clubhouse has yet to be built next to the existing training facility.

Major challenges continue to include staffing and talent. He reports difficulty in finding service employees in this labor environment. The company is focused on becoming a more enjoyable place to work. Sources include J1 and H2B employees, but these are limited and time-dependent. As to efforts being made for attracting talent, since the business is restrained because of available staff, outreach is being made to colleges with hospitality programs as well as industry sources. Deliveries and transportation are aided by Amazon Prime, but have been a challenge. Their delivery problem is mainly regarding large pieces of equipment due to distributors being farther away. Supplies are purchased with consideration given to sustainability and minimization of plastic waste.

When asked about the recent electrical fire at Harbourtowne, Mr. Hoffmann reported the overall damage was minimal and one room was damaged by the fire with water damage contained to other parts of the building.

Mr. Hoffman was asked about considering sustainable energy sources, like geothermal. They've found that the waterfront proximity of the property makes that source problematic as well as expensive.

The company attributes their competitive rate success to local media, aggressively managing inventory, as well as choosing their sources of business.



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Regarding the expected opening of The Lodge, after having considered options, they will not be changing the building configuration as much as fixing what exists. They expect to see a plan by year's end, with possible completion within 3 years.

#### **Department Report:** Sam Shoge

Mr. Shoge updated members on recent business retention meetings which included visiting SeaWatch, North America's largest harvester of clams. The company has 125 employees in their Easton location. The company feels increased revenues will come from changing consumer taste preference for clams and results of food science experiments with new recipes.

He noted his second visit to Talbot Interfaith Shelter, located at 107 Goldsborough St. in Easton. This facility provides emergency shelter and support for local families and individuals. The building is not recognizable as a homeless shelter, primarily as a result of running a 'tight ship' with regard to rules for resident stays. The organization provides services oriented toward moving residents to transitional housing and eventually homes of their own.

Tilghman Island Baking Company was originally in Washington, DC. They moved to Tilghman and anticipated seasonal concerns, but now report steady sales in this market throughout the year.

Business attraction projects include American Salmon in Cordova. The company has a new management team, who recently met with the Departments of Environmental Health, Planning and Zoning, and Permits and Inspections.

Mr. Shoge noted that finding locations for new breweries is an ongoing effort of the department, and there may be a new one coming to Tilghman Island. Choptank Transport, headquartered in Preston, is opening a second location in Easton with 150 employees planned in the next 2-3 years. Konsyl Pharmaceuticals has been sold to Athena but will remain in Easton. The manufacturing operation has left, but the marketing function continues locally.

Craig Wanner stated the he is concerned about filling jobs locally. Choptank Transport's outreach may be a model for solving this problem as is vocational skill training in local high schools. Also helpful are collaborations with career centers and job fairs at Salisbury University and Chesapeake College.



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#### **Director's Report:** Cassandra Vanhooser

Ms. Vanhooser reported on recent changes with local Talbot County businesses. Rathell Farm Equipment on Elliot Rd. is closing. After trying to find a new location, the decision was made to close by month's end, with 11 employees that have found new jobs. The U.S. Coast Guard station in Oxford is not in the Federal FY 2021 budget and is slated to be eliminated because of redundancy in stations providing emergency response within a 2-hour time frame. The Town of Oxford is planning a meeting during the public comment period. 17 employees are likely to be re-assigned.

A motion was made for a By Law change which will reduce the number of presentations the department has to make to the County Council. The proposal is for the Department to meet at least twice per year for review of economic policies and issues. A motion to approve was made by Mr. Jafari. It was seconded by Micah Risher and passed unanimously.

An announcement was made by Sam Shoge that he is leaving his position on March 31. He has accepted a position in Kent County to be Executive Director of Kent County Chamber of Commerce.

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

No Report

#### **Chairman's Report:** Jackie Wilson

Jackie Wilson reminded members to continue to recruit sponsorships for the Business Appreciation Summit on April 24.

#### **County Council Report:** Chuck Callahan

Mr. Callahan reported that the Council is in the midst of budget deliberations. The Sheriff Department's budget needs an additional \$ 700,000.00. He said that factors include their establishment of a fourth shift as well as starting a retirement buy-out program. In addition, the School Board is asking for \$ 3 million and the Roads Department has a multi-million dollar upgrade plan. The Tax Cap Committee met and plans a proposal on March 10, 2020 for



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consideration. Mr. Callahan is optimistic about progress on the Tax Cap. He noted that a hiring freeze is possible in order to maintain funding for expenditures for which the County is currently committed.

#### **Town Reports**

##### **Town of Easton – Ron Engle**

Mr. Engle reported good turnout for the first annual Fire and Ice Festival. The town expects to know soon if it was successful enough to plan for next year. Some damage to grassy areas occurred. He added that Caldwell Shoe Repair will be moving to a new location.

##### **Town of St. Michaels – Jean Weisman**

No Report

##### **Town of Oxford – Sandy Pepe**

Ms. Pepe reported the closure of the Coast Guard station, already discussed, is an important issue for Oxford. She said a proposal for development of the Mews has been received and is being reviewed.

##### **Town of Trappe**

No Report.

##### **Town of Queen Anne**

No Report

**Adjournment:** With business, concluded Mr. Jafari moved to adjourn the meeting and was seconded by Mr. Bautz. The meeting was adjourned at 9:03 a.m.

Next meeting will be Thursday, April 2, 2020 at 8:00AM at 100 W. Dover Street (TCFL).