

Economic Development Commission

The County Commissioners of Kent County

400 High Street

Chestertown, MD 21620

February 7, 2018

Commission Members Present: Rob Thompson, Kate Gray, Jim Luff, Mary Ford, Trae Hoffner, Aaron Bramble, and Bob Jacob

Commission Members Absent: Shreyas Suresh and Tracey Williams

Also in Attendance: Jackie Adams, Director, Kent County Public Library; Debbie Bowden, Senior Business Development Representative, Maryland Department of Commerce

At 3:03 p.m. Mr. Luff called the meeting to order. Mr. Luff requested a motion to approve the minutes from the January 3, 2018, meeting. On motion by Ms. Gray and seconded by Mr. Jacob, the Commission unanimously approved the minutes from the January 3, 2018, meeting.

Ms. Williams introduced Ms. Adams to share the Library's annual report. Ms. Adams informed the Commission that the Eastern Shore regional library was rewarded a grant of \$82,500 from the BEACON at Salisbury University to fund a study on the economic development impact of the public libraries. The goal of this grant is to shed light on the important role, public libraries play as an economic engine, noting that it is often overlooked. The Kent County Public Library is a great resource that can be used to help develop the economy of Kent County, suggesting that it creates recreational and educational activities for the youth and young adults of the community. Addresses social inequality by offering activities to all in the community. Opportunities such as the 300+ interactive courses available to everyone with a library card and various entertainment opportunities. The annual report was distributed to the commission member that listed the activities and partners of library. A study determined that the opportunities offered by the Kent County Public Library provide the entire community with \$3 Million worth of resources. Renovations currently in progress, include a new and improved children's area and a glass enclosed collaborative/teen area. There is an online newsletter offered by the Kent County Public Library.

Ms. Genter shared the Kent County real estate home sales data for 2017 and compared these numbers to 2016. A summary of improvements includes: a 7% increase in number of homes sold, 17% home sales dollar volume increase, average price of home sale showed improvement, median price of home sale showed improvement, number of homes listed for sale are down, and the average number of days on the market declined. In 2017, 258 (78%) of the homes sold in the county were sold for less than \$300,000, 56% of the homes actively listed for sale right now are listed for less than \$300,000. A break down of home sales by town demonstrates that the northern portion of the county (Galena) is doing so well with home sales that the demand for homes in that region exceeds the amount of homes available. The price of an average home in Galena compared to a similar home in Middletown is approximately \$50,000 less. In the last two years, property taxes in Delaware have increased to the point where they are

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on par with the taxes in Kent County. Property transfer taxes on home sales in Delaware increased from 3% to 4%, which is higher than the 1.66% transfer tax in Kent County. There is an overabundance in the inventory of lots for sale in Kent County. The cost to build a home exceeds the cost to purchase an existing home, resulting in the lack of motivation to buy lots and build.

Mr. Bramble shared an update with the Commission on the Alcoholic Beverage proposed legislation. The Class B license was changed from 60%/40% liquor to food to 75/25% liquor to food. Consistent business hours, seven days a week, 6 a.m. through 2 a.m. and removed Sunday restrictions. The language of dining room was changed to dining area to be more inclusive of outdoor areas and non-traditional facilities. Kent County law now includes liquor tasting along with the wine and beer tasting that was already in place. These changes are being heard in the Senate and House Committees, on the 19th and 23rd of February. Ms. Williams will work with the Commissioners' Office, the Alcoholic Beverage Inspector, and Kent County Information Technology to create a webpage for alcohol beverages with the necessary documentation, applications, rules and regulations that are needed for establishments to sell alcohol. Mr. Jacob asked if any issues could arise with the proposed changes and Ms. Williams stated that there are not any issues anticipated. Mr. Luff recommended encouraging support and attendance, although there are no expected issues, something potentially could arise.

Ms. Williams shared that work will begin on the FY2019 budget submission which lead to discussion about potential desired changes to fix shortcomings of the current construct of the Economic Development. Ms. Gray stated that there was supposed to be some sort of shared staffing between Economic Development and Tourism which never panned out. Mr. Luff and Mr. Jacob suggested trying to create a system which promotes collaboration involving the Office of Tourism and the Office of Economic Development. Ms. Genther believes that Tourism is a subset of Economic Development and therefore the offices should be working together. The Commission agreed. Ms. Williams wants to make changes but wants to be careful that any requests be well thought out and supported. Mr. Luff suggested the Commission consider what changes would lead to success and discuss at a future date and develop a proposal to present to the County's Commission.

Ms. Williams shared information to begin the discussion on the Bay Crossing Study. Ms. Williams stated there are six zones that have been identified as study areas, three of which include land in Kent County. The Tier I NEPA study will cost \$5 Million which will determine the best potential sites within the six study zones. There could be ten to fifteen routes identified. There have been no economic impact studies completed. The press release from the Governor stated the study would include economic and environmental impact studies. Mr. Luff stated that this could potentially be a non-issue, the State will likely be able to fund a new Bay Crossing. The position of Kent County by-and-large is vehemently opposed to a bridge landing in Kent County. Members of the Commission felt strongly, they have a responsibility to listen to all the opinions and information shared on the potential impact of a potential Bay Crossing.

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Mr. Luff shared that it was time to vote on the Commission Chair and Vice Chair. Ms. Genther motioned to re-appoint the current Chair and Vice chair for the Commission, seconded by Ms. Gray. Mr. Luff, Chair and Mr. Jacob, Vice Chair were unanimously re-appointed.

Mr. Jacob asked about goals and projects for the Commission in the upcoming year. Mr. Luff shared that zoning changes are around the corner, and recommended the Commission take an active role in the process.

There being no further business, a motion was made by Mr. Bramble, seconded by Mr. Jacob and carried unanimously to adjourn the meeting at 4:31 p.m. The Commission agreed to meet again on Wednesday, March 7, 2018, at 3:00 p.m. in the Commissioners' Hearing Room.

Respectfully Submitted,

Jamie L. Williams
Coordinator