



**Recordings of the Economic and Tourism Development Commission (ETDC) meetings can be found on the Meeting Archive Tab.**

**August 9, 2023**

Commission Members Present: Aaron Bramble, Charlie Athey, Richard Story, Sandy Scott, Paula Reeder, Judy Gifford, and David Bowman

Also in Attendance: Jamie Williams, Director; Shalyn Boulden, Tourism Manager; Katie Wright, Economic Development Manager, and Rose Osborn, Administrative Specialist, Economic and Tourism Development; Shelley Heller, County Administrator; and John Price, County Commissioner

At 3:00 p.m. Mr. Bramble called the meeting to order.

At 3:01 p.m., at the request of Mr. Bramble, a motion was made by Mr. Story, seconded by Mr. Bowman, and carried unanimously to approve the minutes from the July 12, 2023, meeting as amended.

Larry DiRe, Town Manager of the Town of Chestertown, introduced himself. Mr. DiRe advised he started the position of Town Manager on June 29, 2023. He is continuing to work on an agenda of items to include vacancies in the shopping center and short-term rentals. Mr. DiRe advised that the shopping center vacancies are a difficult issue. The row of drive-thru establishments appears to be successful. It is a matter of determining if there is a market-driven customer or a structural issue with tenancy and the conditions of the building. He advised that you must look at trends in other areas and whether this is part of a bigger trend or if it is unique and site-specific.

Ms. Williams advised that Nick Skeparnias, Principal, Agora Commercial Realty Advisors, is scheduled to meet with the ETDC in October to share his experiences with trying to fill vacancies and what challenges he has faced. Ms. Wright advised that staff have been in contact with the Department of Commerce and the Department of Assessment & Taxation regarding any incentives that would help in filling the space at the shopping center. Mr. DiRe advised that they could also look at imposing a tax on vacancies; this was not his preferred approach. Ms. Williams advised that she has reached out to the owner of the shopping center mainly to get the vacant properties listed on the County and State websites. The properties are not currently listed, and she has not received a reply. Mr. DiRe advised that he noticed additional signage. Ms. Williams advised that she would follow up with the owner of the shopping center after the MACo conference.

Mr. DiRe advised that there is always something to do in Chestertown. He is impressed by the engagement of the residents who are high-spirited, well-intended, forward-thinking, and love their town. He believes they can improve communication through social media and cleaning up the website to get the Town messages out clearly and concisely. Mr. DiRe shared his concern about finding housing for the average person seeking a 1200 sq. ft. house. He added that he thought the Town does a good job with utilities and public safety.

Ms. Williams advised that the public hearing was held on August 8, 2023, for the Arts and Entertainment District (AED) Tax Credit. The Chestertown AED was certified in 2015, however, the enabling legislation was not enacted. An application was received and to qualify that applicant, legislation needed to be introduced to enable the credit to be processed. A vote on the legislation will be held on August 19, 2023. The AED must be recertified every 10 years which will be in 2025. During the recertification, the Town and County will determine what the tax credit percentages will be going forward. The State allows for 100% for up to 10 years which will be honored for this applicant. The AED is 51 acres of the downtown historic area of Chestertown. Ms. Nina Fleegle, Executive Director, Main Street Chestertown, advised that Chestertown has one of the largest AEDs in the State.

Ms. Williams advised that the Residential Sprinkler Property Tax Credit extension was introduced on August 8, 2023. The original legislation in 2019 allowed a residence that was required to install a sprinkler system, up to a \$5,000 credit on their property taxes over three years. The new legislation requests an extension of four years. The public hearing will be held on August 22, 2023. A vote on the legislation will be on September 19, 2023. There have been twenty-six residential properties that have taken advantage of this tax credit.

Ms. Boulden advised that she attended the Mid-Atlantic Tourism Public Relations Alliance (MATPRA) in Montgomery County. The first evening, the Destination Maryland Organizations (DMO) attended a meet and greet with journalists and various media as well as a networking session for connecting with the journalists. Ms. Boulden advised that one of the panelists was a paraplegic in a wheelchair who discussed American Disabilities Act accessibility vs. compliance and how an establishment may be compliant but not accessible. Ms. Boulden advised that the discussion covered whether DMOs should market accessibility on their websites. Ms. Boulden and Ms. Williams discussed compiling a database with accessibility for Kent County.

Ms. Boulden advised the Tourism Newsletter is sent out on the first of each month. The newsletter highlights upcoming events for the month. Anyone can sign up for the newsletter on the County website. The office uses analytics of the HubSpot CRM system to determine when the newsletter is opened, what events generate the most interest, and to manage the list of subscribers.

Ms. Wright advised the Economic Development Newsletter is sent out mid-month and is sometimes timed around grants and incentives. Ms. Boulden advised that one of the strategic plan's goals was to track the number of subscribers. She advised that HubSpot data tracks that information, noting that as of June 2023, the Tourism Newsletter has 1,082 subscribers a 68% increase, and the Economic Development Newsletter has 496 subscribers a 5% increase.

Ms. Wright reviewed where to find the newsletter subscription sign-up forms on the County website. She provided an update on the Betterton/Worton Enterprise Zone area, advising that there have been a lot of inquiries, and no applications to date. Ms. Wright is working with three businesses in the Chestertown Enterprise Zone with their applications for Income Tax credits. The Income Tax Credit is a one-time, \$1000 tax credit based on the hire of full-time employees. Ms. Williams added that the Enterprise Zone tax credits have been good for the growth and expansion of current businesses located within the designated areas.

Ms. Osborn shared she has identified 196 rentals throughout the county and five municipalities. Ms. Osborn advised that the purpose of this project is to bring attention to the Town and County ordinances regarding short-term rental properties, as well as the licenses/registrations and tax requirements. Ms. Osborn advised that she and Ms. Williams have met with Tom Mogle, Town Manager of the Town of Betterton, to review properties identified in Betterton. Ms. Osborn will work with the Town Clerk to send a copy of the ordinance and tax requirements to each of the non-compliant properties. Ms. Osborn advised that Ms. Williams has reached out to the Town of Chestertown for a similar meeting, and one will also be scheduled with the Town of Rock Hall.

Ms. Williams advised that we have been approached by software providers that identify these properties and some of the vendors provide lodging tax collection and reporting. She advised that we need to look at the cost vs. benefit. Full enforcement efforts are estimated to take one full-time equivalent employee per every 100 rental properties.

Mr. Bramble distributed a handout of ideas for the FY2025 Grant Program. He advised that his thoughts were to provide grant funding to local businesses that attract tourism spending. Eligible applicants could operate any business in any industry sector that promotes tourism. Mr. Bramble's proposal would open the grant funding from one specific industry to a variety of small businesses. Mr. Bramble envisioned transportation would be included as an eligible business to qualify. Ms. Gifford voiced her desire that the program not be changed from agriculture. Ms. Reeder supported Mr. Bramble's proposal and agreed that it should include transportation. She suggested we look at priorities and opportunities for the distribution of grant funds, and that we take into consideration other grants that are available to different sectors. She felt that the sectors that are the least served should be our priority.

Ms. Reeder serves on the Legislative Committee for the Bay Area Regional Realtor's Association, and they are beginning their discussions regarding legislative priorities. She welcomed comments via email from the ETDC about what realtors can be focused on to address economic and tourism development going forward in the State legislature. She advised that affordable housing, taxes, and levels of transfer and recordation taxes for residential real estate were currently on the agenda. The focus is residential real estate and what impacts that market and residential property owners.

Ms. Williams shared an update on comprehensive rezoning, advising that on August 2, 2023, Mr. Mackey, Director of Planning and Zoning, presented a resolution to send the land use documents to the Kent County Agricultural Advisory Commission and the Kent County Planning Commission for their comments. The draft document of the Land Use Ordinance was shared with the ETDC members via email. Notable changes included a shorter document that is easier to navigate with matrices and maps. The number of zoning districts was reduced from seventeen to twelve. Definitions were added and processes were streamlined. Agri-tourism and weddings were added to the Agricultural Advisory Zoning District by special exception. The signage ordinance was reformatted and restructured to be content-neutral.

Ms. Reeder advised the Planning Commission accepted the delivery of the new document and they wanted to wait to hear from the Agricultural Advisory Commission before making any statements or comments. She further advised that they will be reviewing the document in sections and the process may take a while. Ms. Williams expressed concern about a recommendation to put a moratorium on zoning text amendments until this document has reached final adoption.

Mr. Herz advised that the Town is currently in the process of seeking funding to extend the Chester River Trail and that they will be seeking a letter of support. The trail would benefit tourism and economic development in the county and town. Ms. Williams requested that Mr. Herz keep staff apprised of the status of the project and requested that he forward information via email so that it may be distributed to the ETDC.

There being no further business, a motion was made by Ms. Gifford, seconded by Mr. Story, and carried unanimously to adjourn the meeting at 4:28 p.m. The Commission agreed to meet again on Wednesday, September 13, 2023, at 3:00 p.m. in the Commissioners' Hearing Room.

Respectfully Submitted,

Jamie L. Williams, CEcD  
Director