

Economic & Tourism Development Commission

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October 11, 2023

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

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

At 3:02 p.m. Mr. Bramble called the meeting to order. Mr. Bramble requested a motion to approve the minutes from the September 13, 2023, meeting. On a motion by Ms. Reeder, seconded by Mr. Athey, the September 13, 2023, minutes were unanimously approved.

Nick Skeparnias, Agora Commercial Realty Advisors, discussed the challenges filling the Washington Square Shopping Center. He owns approximately fifteen shopping centers in three states and the Chestertown shopping center is unique because the leasing throughout all their shopping centers is doing very well overall. They have obtained the necessary permits for apartments and have not moved forward with that project because the cost of debt is so high. They have every intention of building as soon as they can.

They have seen interest; the challenges are not the lack of contacts or relationships with the types of businesses that Chestertown wants. Those companies have their processes and programs to determine where their customer base is coming from, what they can justify, demographics, etc. Their programs are so precise that they know exactly where they want to be. He has seen more "mom and pop" activity at Washington Square rather than major retailers. Another issue is that some of the businesses are not able to secure the funding that they need. He advises that one of his company's biggest issues is that build-out costs are usually cost-prohibitive in bringing in new businesses. Most of the small businesses seeking rental space are looking for something that is "move-in ready." Mr. Skeparanias advised that Ms. Williams has been great about keeping him apprised of any available incentive programs, but still expressed concern that a lot of the smaller businesses need approximately \$20,000 - \$30,000 to begin operating. The types of businesses he has gotten interest from recently have been restaurants, a nail salon, and a clothing store. His flexibility in working with potential renters depends on the risk/reward factor and his greatest flexibility would be in free rent. He is responsive in replying to any interested parties and tries to be creative.

Ms. Boulden advised that on September 26, 2023, a WBOC production crew was in Chestertown to film a segment for Delmarva Life. Chris Cerino, Sultana was interviewed on Downrigging Weekend, and Chris Sade, River Arts was interviewed on the two-weekend River Arts Tour. Photos were also provided for Rock Hall FallFest and White Swan Inn. The four-to-six-minute segment will air on

various WBOC platforms as well as posted to the Economic and Tourism Development social media channels. Ms. Boulden advised that WBOC will be returning in November to do a segment on A Dickens of a Christmas for Delmarva Life and again in the Spring to focus on Rock Hall for their Outdoor Delmara segments.

Ms. Boulden advised that she and Ms. Williams attended the MDMO Retreat last week in Harford County. The main topics of discussion were the FY2024 Grant, Co-op opportunities and short-term rental (STR) issues. The STR issues are not unique to Kent County.

Ms. Boulden and Ms. Williams have attended meetings for the five-year interpretive plan planning committee for the Chesapeake Country All American Road and shared the new logo. An All American road is a federal designation that runs from Cecil to Somerset County. The designation follows specific State roads, and the committee is working on awareness and marketing in addition to the placement of interpretive panels. The next steps include focus groups to discuss the program and organization of the interpretive plan. Ms. Williams advised that the new logo is posted on the County website and is a link to the All American Road website where a map of the designated roads can be viewed.

Ms. Wright has been working with Sandy Nordhoff, County Webmaster, Information Technology on the planning phase of the new County website. This will be an ongoing and lengthy project. October 23 - 27 is Economic Development Week and in recognition, she and Ms. Williams will be attending the October 17, 2023, County Commissioners' meeting to receive the official Proclamation and invited ETDC members to attend. Ms. Wright has been working with other departments on form streamlining, branding consistency, and a social media policy for the County.

Ms. Osborn shared that work on STRs continues and she and Ms. Williams have interviewed four software platforms as well as talked with current STR owners to understand the process from their perspective. She advised that a recommendation will be made to the County Commissioners at their October 31, 2023, meeting to purchase a software platform to assist the County in identification, monitoring, and tax collection efforts with STRs. The quarterly rental tax forms and legislation are being updated at this time as well and will be posted to the County website. The next steps include updating the County Code and Memorandums of Understanding with the five municipalities. Ms. Williams also added that enforcement would be up to each municipality and the County concerning what they want to do within their jurisdiction.

Ms. Osborn advised that the office will be attending a reception for the Kent County Histories: A Digital Scholarship Museum Partnerships Exhibit at the Washington College Center for Environment & Society on October 12, 2023, to celebrate five of Kent County's Museums with panels, audio clips, virtual tours and other digital content that was created by Washington College students for each museum. The exhibit will be open on First Fridays, Saturdays, and special event weekends through December.

Ms. Reeder advised that the Planning Commission is in the process of reviewing the Land Use Ordinance and will be addressing "uses" at their next meeting. She felt it would be helpful for them to hear from Ms. Williams on STRs. Ms. Williams advised that she has discussed the matter with Mr. Mackey.

Ms. Williams advised that she attended the National Pre-Cast Association meeting and Pre-Cast Day at Gillespie's. The event was well attended and included a tour of the plant. Ms. Williams advised that she will be attending the meeting at Washington College this evening regarding the TEDCO grant for the Maker Space.

Mr. Bramble advised that Tolchester Marina attended the US Powerboat Show in Annapolis, and this was the first year in about 35 years that they did not exhibit. He felt the outlook for the industry is dismal with the low attendance of visitors and vendors due to inflation and the economy.

Ms. Reeder advised that the hotDesks location is a valuable enhancement to the County. She expressed her concerns that department staff are cleaning the location. When the Department of Economic and Tourism Development took over operation of the Chestertown hotDesks location, there were a lot of hurdles to overcome. Now that the collection of membership fees is resolved, she could pursue outsourcing the cleaning for hotDesks. Ms. Reeder asked the ETDC to request the County Commissioners approve funding for third-party cleaning and not charge the department. Ms. Williams advised that they would start the procurement process for cleaning services.

Ms. Williams provided a new commercial construction update from Mr. Mackey advising that GroMark FS (formerly Southern States), in Massey, received a final certificate of occupancy for a warehouse and office. The project provides 10,800 square feet of new warehouse space and 1,200 square feet of new office space.

There being no further business, a motion was made by Ms. Gifford, seconded by Mr. Story, and carried unanimously to adjourn the meeting at 4:11 p.m. The Commission agreed to meet again on Wednesday, November 8, 2023, at 3:00 p.m. in the Commissioners' Hearing Room.

Respectfully Submitted,

Jamie L. Williams, CEcD Director