

Talbot County Economic Development Commission (EDC)
Talbot County Government Offices, 215 Bay Street, Suite 5, Easton, Maryland 21601
June 4, 2015 Meeting Minutes

Members Present: Chair, Geoff Oxnam; Vice Chair, Haim Loran; Jacqueline Wilson; Peter Dunbar; Ted Bautz; Gerald O'Mara; Walter Chase and Scott Beatty; **Ex Officio Members Present:** Terenda Thomas and Timothy Jones
Members Excused Deborah Renshaw and Paul Makosky; **Attendees:** Scott Warner and Laura Heikes
Call to Order: Chairman Oxnam called the meeting to order, with a quorum, at 8:00 a.m.

Agenda and Minutes: The EDC Agenda for June 4, 2015 was approved, unanimously. The EDC May 7, 2015 EDC Draft Meeting Minutes were approved, unanimously.

Guest Speaker: The director introduced Dennis Fallen, General Manager at Wildlife International (WI), owned by Evans Analytical Group, Inc. (EAG), with headquarters in Sunnyvale, California. Mr. Fallen provided a summary of his history and an overview of EAG and its divisions. EAG reports revenues of \$50 million and employs 750, with laboratories around the world that perform "materials characterization"; scientific evaluations on various materials including chemical compositions, rubbers, textiles and metals. WI operates with 160 employees at the Easton facility. EAG purchased WI and PTRL, a second group of environmental test labs, as an opportunity to diversify to environmental research. The WI business grew 17% last year, 10% the year before and about 8% the year before that with a primary function to provide environmental research to the largest chemical and pharmaceutical companies in the world. Mr. Fallen recognized an opportunity to expand the capabilities of the Easton facility and began working with the Town of Easton, the county OED and the Maryland Department of Business & Economic Development (DBED) to obtain an economic support grant. WI was successful in the grant process and able to win approval from their board for a \$6 million expansion project and hiring of 75 additional biologists and chemists over 5 years. WI will double their aquatic capacity with the 28,000 SF Glebe Park Drive building, which will be completely renovated with chemistry laboratories to support all the biological studies and specialized work on soil and other contaminants. WI is projecting growth to double revenues in the next 5 years. WI has full testing capabilities for plants, aquatics and waterfowl populations at the Easton facilities. The future work will focus on being responsive to the testing needs of Fortune 100 Companies as they position products for the market. With people's awareness of environmental impact heightened, there is a larger demand for assurance that what is being manufactured, produced and introduced is safe. One of the growing areas of study is focusing on bees and identifying specifics for the decline of population. WI held a successful symposium at the Tidewater Inn last month with representatives from the EPA and businesses to discuss how to conduct Bee research. WI must seek out where and how to conduct the best studies to identify environmental impact through the testing process. WI's employees are 90% college graduates, with chemistry or biology degrees; 12-15 Ph.D.'s and about the same holding masters degrees. A discussion ensued concerning the challenges of attracting a highly skilled workforce to a rural area. Recruiting local college graduates is an advantage and the company has success in attracting couples where both are working the field of study. The Groundbreaking Open House for the project will be in August and the board of directors will meet at The Harbourtowne in St. Michaels. The EDC offered any additional assistance to Wildlife International regarding any of their business needs at any time.
www.eag.com

Correspondence:

- The County Manager's office sent notices to Easton and Oxford concerning representation on the EDC.
- The director met with Gerry O'Mara regarding his term; Paul Makosky has been reappointment to the EDC.

Old Business:

The director reported the County Council has scheduled the EDC quarterly meeting on June 23, 2015 at 6:00 p.m. as part of their regular agenda. Issues to discuss include:

- Representation of the County Council Liaison to the EDC meetings;
- An outline of economic development initiatives to date;
- Review of the EDC work on the Strategic Plan recommendations; and,
- A request for guidance and direction for economic development activities from the Council given the FY 16 budget.

New Business:

Chair Oxnam reported a discussion regarding the role of the EDC in supporting economic development in the county. The EDC has a unique role in that there are 3 different methods for advising the County Council:

- 1) Gather information and intelligence about what is happening with businesses in the county;
- 2) Offer recommendations for policy initiatives and strategic focus; and,
- 3) Engage in actual economic development activities.

Chair Oxnam suggested now may be a good time to reevaluate the focus of this commission and the type of work the commission wants to accomplish. One area for immediate focus may be to communicate to audiences, throughout the county, the critical importance of economic development. The two words, "economic development" conveys a politically charged

reaction in our community. Chair Oxnam requested input from the EDC members about what they think the commission's role should be going forward:

- It was suggested the EDC begin by putting together a communications function; a plan to communicate "economic development" at all levels, starting with Talbot County Council.
- A conversation is needed regarding what economic development means. Change is only going to come if the community demands a change.
- A good idea to start with the County Council to establish support from Council for the kinds of development that may be suitable for attraction to Talbot County and to expand a dialogue about for effective EDC activity.
- A solid adoption of an economic development strategic plan offered as an alternative to fight the tax cap.
- Queen Anne's County has declared a major initiative and emphasis on economic development with enormous investments in programs to retain and attract businesses.
- Consider work in establishing regional economic development initiatives with regional partners: airports, commerce centers, chambers etc. and everyone benefits. To be successful, there has to be a regional approach.
- Delaware and Maryland are working together through USDA. The Chambers of Commerce are. The Eastern Shore Chambers are planning a symposium for September to include economic development offices to look at the region for strategies that can be effective in leveraging scarce resources.
- Even though Talbot County has the second lowest taxes in Maryland, it does not help us to attract business here. There are virtually no incentives to offer companies to move here. The simplest incentive is a tax holiday because it does not cost the county anything. Attracting businesses to Talbot County has to be an ongoing effort.
- The EDC needs to prioritize efforts. The building block of economic development is retention. Wildlife International is a great "retention story." What are we doing in the area of retention? It could be to identify and advocate for the reduction of regulations, streamlining the permitting process, additional workforce development - to create the infrastructure and environment where businesses like Wildlife International can grow
- Revisit the Talbot County and Towns Economic Development Strategic Plan recommendations. The County Council gave the EDC 3 of the 15 recommendations: Marketing, Business Environment and looking at economic development as a private organization. At the quarterly update with County Council, there is an opportunity to revisit the strategic plan, present the recommendations and ask the Council to adopt the 15 recommendations or submit their priorities for economic development in Talbot County.
- Publish Dennis Fallen's story regarding Wildlife International. (There is a press release in a working draft.)
- Establish a committee that works with both the County and Community resources to develop a communications strategy to open the dialogue with the community detailing why economic development is valuable and important to everybody. Make the connection between the ambulance and the EMTs who show up at our doors when we need them, and enhancing the county's businesses to pay for those community services.
- Invite business editors from newspapers to the EDC meetings.

A motion was made to form the Communications Strategy Committee and was unanimously approved.

Business Environment Committee (BEC) Report: Ted Bautz, Chair reported the BEC committee will meet on June 23rd at 9:30 at the Bay Street County Government Office Building. The County Permits and Inspection Office is hosting a community outreach to the trades at the Community Center on June 26. The meeting will review new initiatives, new procedures, changes in the building codes and general discussions. The Talbot County Chamber has formed a division of construction trades professionals. The county is updating the flood insurance maps, and there is a public meeting on June 11.

Marketing Committee (MC) Report: Haim Loran, Chair reported calls are being made to the 1600 testing labs that received the business attraction letter. Once the calls are completed, the committee will make another mailing to another 1600 businesses. Business attraction has to be an ongoing effort if we hope to move some companies here.

Chairman's Report: No additional report.

Director's Report:

(The director's report below was provided in advance, via email, outlining the OED's activities in May.)

- **Project Status:** EAG/Wildlife International, environmental test lab, 150 employees, grant agreement finalized for inclusion with DBED package. EAG, Inc representatives to visit in August

- **Expansion:** Konsyl Pharmaceutical, a digestive products manufacturer with 60 employees is renovating its Easton facility to expand production capacity and meet additional FDA requirements. The OED introduced a spa products client to Konsyl for contract manufacturing production opportunity
- **Caloris Engineering:** a design, engineering and fabrication of dehydration systems company is exploring options for expansion to accommodate production of units for 2016.
- **Gluten Free Bakery Girl** referred to MCE Women's Center for funds to expand wholesale business. Currently supplying 9 City Dock Coffee locations with gluten free baked goods in Annapolis and accounts in local area.
- **Closure:** Orion Safety Products filed a WARN Notice and will be terminating 54 workers and moving the Safety Flare Division to North Bend Indiana. President, Jay McLaughlin, indicates the headquarters and Martin and Shaft manufacturer of charge caps for explosive products will be retained at the Easton facility for the near future. The company requested information for annexation to the Town of Easton and Lynn Thomas was referred to McLaughlin.
- **Business Retention:** A meeting with Allen Harim at their Seaford Headquarters was rescheduled for July. The DLLR Office is hosting a Job Fair for Harim in Easton.
- **Workforce:** A Hospitality Workforce Forum was facilitated on May 27 with 8 representatives from 5 Talbot County hotels to discuss a formalized training program, with certification, for Hospitality Industry workers to fill current openings, as well as support expected expansion in the industry. The Community College took the lead to develop the program with industry representatives.
- **Business Openings:** Talbot County Chamber of Commerce hosted ribbon cuttings for: The Car Pool, Spider Web Connections and Atlantic Financial Group, to name a few.

Activities:

- SBA Regional Director toured Talbot County and recognized 5 area businesses: The Robert Morris Inn, Teddy Bear Fresh, Rise Up, Green Energy and Banning's Restaurant who used SBA Financing to support expansions.
- Talbot County Chamber of Commerce was recognized as one of 3 outstanding Chambers at the Maryland SBA Awards Banquet
- Dorchester County Incubator Ground Breaking will be held June 10 at 11 a.m.
- GEO INT Conference in Washington DC June 23 – 25.
- The Federal Lab Consortium is interested in hosting an event on Mapping, Sensors and Imagery on October 15 at Washington College in partnership with our Eastern Shore Universities, Colleges to highlight research on the Eastern Shore in aquaculture, water quality, agriculture, atmosphere and climate.

Updates to the Director's Report:

- The director provided an update regarding Orion Safety Products: On June 17, the Workforce Investment Board (WIB) will visit Orion to review resources for 54 people who will be laid off through December 31. The largest number of workers live in Dorchester County. The flare market is maturing and migrating to new technologies like brighter lights and louder sounds. Orion's story goes to the communications effort previously discussed that this is an economy in transition. As these kinds of business factors surface, we need replacement and growth. DLLR supports the workers with additional resources.
- The 2014 Maryland Department of Planning growth report for Talbot County indicates 3 new residential construction permits issued in the County, and 8 permits issued outside the County, which are the town priority funding areas for a total of 11 new residential permits.
- The OED met with 2 prospects interested in growing medical Marijuana. A site selector called to develop a project for a grocer. The Housing Development Corporation, Mid Atlantic, representatives discussed new market tax credits.
- The Talbot County Planning Commission received information concerning a text amendment for a Redevelopment Overlay district that would be applied to projects in the County. The tool is used to redefine land use in the process of development.
- Easton Utilities came before the Talbot County Planning Commission with a sustainability complex proposed for Barkers Landing Road, proximate to the Wastewater Treatment facility. Solar installations are planned for the project.
- The Department of Business and Economic Development (DBED) will be represented at the Bio International Conference in Philadelphia, PA June 15-17; and GEO International 2015 in Washington, D.C. June 23-25
- Mark Greene, Business Retention Specialist, no longer with the OED due to a lack of funding, performed well in representing the county to over 40 businesses for retentions services and worked on several projects.

Town & Member Reports:

Haim Loran, Vice Chair: No additional report.

Laura Heikes, Talbot Bank: Today, Talbot Bank is 130 years old! Ms. Heikes invited the EDC to stop by Talbot Bank

Ted Bautz, Commercial Real Estate: Activity in the commercial real estate market is increasing in both lease and sales

Tracy Ward, Director, Easton Economic Development Corporation (EEDC) could not attend and asked Mr. Bautz to update the EDC on their activity:

- The award of a grant for Chesapeake Harvest, supported by the EDC, will be announced in June and if successful, the EEDC will begin activities in September to introduce this program.
- A Port Street work session will kickoff with the Easton Town Council on June 14. They will look at the Port Street redevelopment and the county will have a role in this as well.
- The medical cannabis facility, CBD Wellness, made a presentation to the Easton Town Council earlier this week. The economic impact of this project is 100 jobs and \$5 million in payroll.

Peter Dunbar, Town of Oxford: The Commissioners of Oxford are seeking public input regarding the purchase of the historical "Mews." Oxford now owns a convertible Humvee for storm purposes.

Scott Beatty, Business Community: Shore Bancshares is beginning to see stabilization in the economy.

Scott Warner, Mid Shore Regional Council: The Dorchester County Incubator project was the result of funding from the Comprehensive Economic Development Strategy Plan. The study, paid for by the town of Easton, Talbot County, Mid Shore Regional Council, Federal and State Governments, with the closing of the Black and Decker Facility, was conducted to determine where the incubator should be located. The Dorchester project will provide leads for business development.

Mayor Willey, Town of Easton: Negotiations with PEPCO have been in process to rebuild the railroad bridge over the Tred Avon River at the end of Glenwood Avenue as a trail. This will connect Glenwood Avenue with Easton Village and continue the Rails to Trails Program. The project has approval and will begin once the engineering is complete. The Hill Project is in negotiations for a \$2 million grant to rehab some of the houses identified as significant to the neighborhood. Easton Town Council voted in favor of zoning to provide for the medical marijuana facility, especially since Maryland legislators approved the legalization of medical marijuana. Construction has begun with Harris Teeter and BJ Warehouse. Six buildings are under construction in the Town of Easton. Easton presently has 16 permits for residential units, as compared with 12 permits for the whole year of 2014. The town of Easton's Permits Department received National Accreditation, which is unheard of for a town of Easton's size. The Town of Easton will obtain a bond issue later this year to support two capital projects: roadwork on North Aurora Street from Goldsborough out to Magnolia Street and; the parking lot between Talbot Bank and Hills Drug Store.

Terenda Thomas, Department of Labor, Licensing and Regulation (DLLR): DLLR is providing rapid response services to the Orion employees. DLLR is implementing their role in the Workforce Innovation and Opportunities Act (WIOA) by July 1, 2016, which allocates federal funds to the Workforce Investment Board for local workforce training and development initiatives.

Jacqueline Wilson, Business Community: The Easton Rotary posted 500 flags at Talbot County Community Center for Easton Flags for Heroes. The project raised \$30,000 in funds to go back to the community. Ms. Wilson thanked Mayor Willey for his support for the 60 flags donated to Easton; and, she thanked Easton Utilities for their hours of service to get all those flags up.

Tim Jones, Chesapeake College: Chesapeake College graduated 356 students at their graduation ceremony on May 20. Governor Hogan has been invited, as the guest speaker, at the Health Professions & Athletic Center (HPAC) dedication ceremony on August 19 at the Wye Mills campus. The college is in discussions with PEPCO, regarding a 1.75-megawatt solar station project. The interconnection agreement was denied but they are working with PEPCO, Solar City, Maryland Energy Administration and PFC Energy to test innovative techniques for power shedding and storage technology.

Gerald O'Mara, Agriculture: Dr. Craig Beyrouthy has been appointed Dean of the University of Maryland, Department of Agriculture and Natural Sciences. Mr. O'Mara has arranged Lucy Hughes, from Chesapeake College, to speak at the Tidewater Farm Club and the Farm Bureau meeting being held in the fall. The artists from Plein Air are interested in painting the regions' farms this year and the Farm Bureau will ask area farmers to volunteer their farms. 90% of the corn and 40% of the soybeans have been harvested in the region. The avian flu has not hit the Eastern Shore and precautions by the broiler industry are underway to contain the devastating disease. Sara Rich, Talbot County's Area Extension Director, has taken another position elsewhere.

Final Comments:

Walter Chase asked to report the town of Trappe swore in three new members to their Commission: Robert Diefenderfer, Jr., Donald English and Tonya Pritchett. Ms. Pritchett will support the role of economic development for the town of Trappe. Walter Chase will continue as the Trappe representative to the County Economic Development Commission.

- Tours to Poplar Island: July 1 and September 24. To be included in the tour, please contact Michele Hall.
- No July Commission Meeting
- The meeting adjourned at 9:32 a.m. The next Talbot County Economic Development Commission meeting is August 6 at the Talbot County Free Library, West Street, Easton. The meeting begins at 8:00 a.m.