

Ridgely E.D.C. Meeting
January 9, 2008

The January meeting of the Ridgely Economic Development Commission was called to order by at 6:30 P.M. In Attendance were Joe Mangini, Brenda Walls, Leo Stepp, Kelly Hayman, Joanne Stepp, Nancy Gearhart, Sara Wright

Approval of the Minutes:

Minutes were unanimously approved following the motion made by Leo Stepp.

Town Manager's Time:

Joe discussed plans to attend the Chamber of Commerce Dinner, and have John Balderson and Herman Dunst accompany him. John Nussear and Joe have had conversations about starting a business board in Ridgely. Joe would like to have one but said that it would be a private organization.

DBED Grants Review:

Local Revolving Loan Fund: Ridgely EDC is asking for \$50,000 for its local revolving loan fund. A letter from Caroline County stating that Ridgely supports smart growth must be included with the application for this money. There must also be a loan application and process in place.

Strategic Economic Development Revitalization Plan: Money received for this would go towards creating a revitalization plan for the Town of Ridgely. Joe was unable to complete the application because the available money (\$50k) from the State has to be matched dollar for dollar by the Town.

New Elevated Water Storage Tank: This project is currently on hold due to problems with both MDE and Caroline County. The property where the new tank would be located is part of a possible wetland area, and cannot be deeded over to Town until issue is cleared.

Cowbarn Project: The Cowbarn Project has been cancelled. Developer Tommy Vendemia has pulled out of the deal mainly because of MDE and associated problems. The project, to include 36 townhouses and transfer of the Cowbarn to the Town, had already been approved by the Town. If someone else were interested in purchasing the property and doing the exact same project, they could. The property is in an overlay zone.

New Business Opportunities/ Ventures:

Thayer Entertainment/ Musselman Business Complex: Joe said he had not spoken to Mr. Thayer recently but that Mr. Thayer was still interested. Joe believes Musselman Business Complex would be better for Mr. Thayer than a space in Mr. Brodie's building.

Daycare Center/ Brodie Building: The daycare center Subrena Guy is interested in opening, using space rented from Mr. Brodie, is in Mr. Brodie's hands. It is up to him to

decide if he is willing to spend the money for the necessary upgrades to bring the building up to code.

Brodie Shopping Center: The plans for the Brodie Shopping center on Rt. 480 were approved by the Ridgely Planning and Zoning Commission.

Sam's/ Vicky's Restaurant: The old Sam's Restaurant was purchased by Mr. Brodie. There is someone interested in opening a family style restaurant there. Joe may have more definite answers by the end of the month.

Development Projects Review:

All development is on hold due to problems with MDE. Joe plans to have a meeting with MDE sometime before January 25, 2008, and has already spoken with the deputy secretary. URS admitted that their study was flawed and will re-do it at their own cost.

Municipal Capital Projects Review:

Ridgely is changing from spray irrigation to pop-up irrigation, and had already changed the plan from 500,000 gallons to 300,000 gallons. The upgrades to Ridgely's wastewater treatment plant have been put on hold, as well as the water tower project. Joe estimates Ridgely has lost approximately two (2) years of productive progress because of MDE. Rails-to-Trails is the only project that is still currently in progress.

Old Business:

Hanover Foods Update:

Hanover Food was cited by the State for spray irrigation violations, and as a result must build a sixty (60) day holding tank. Caroline County is working with Hanover on their project, but has questions which the Town of Ridgely will help with. Hanover Foods needs to be in the construction phase of their project by March due to a time frame on the grant they're using.

Rails to Trails:

Pace Designs, LLC (Cindy Todd) was awarded the project. Ridgely will be using State grant money only for this project.

New Business:

Joe distributed a copied section of the 2008 Economic Resource Guide for review. An email about the first quarter Business Resource Network meeting was distributed, and Joe asked anyone interested in going to let him know.

Review of Ridgely EDC Loan Program: A copy of the current loan application had been given to Subrena Guy for her to fill out. If the EDC would like to make any changes to the application, they should let Joe know. Rich Loeffler from Chesapeake College can coordinate with the Town for a business plan and, Joe said that a bankers' task force could be formed as well to assist Ridgely. Nancy asked if there would be anything in the loan contract regarding job creation. Joe informed her that it had been discussed at the previous meeting that rules and guidelines for the loan still needed to be decided upon.

He added that along with job creation, commitment to stay may also be included in the rules and guidelines. Joe then noted that he prefers the guarantee loan because he believes the Town shouldn't make loans without a monetary commitment from the obligor. In addition, with a guarantee loan, the Town will earn money through interest and the bank will do the paperwork. It is possible for the Town to use State grant money in any type of loan.

Joe passed out copies of Somerset County's EDC Program Rules for review and discussed the guidelines used in Federalsburg as well. Federalsburg has four financial programs available; Real Estate Improvement Loan, Fixed Asset Loan, Business Start Up Loan and, Working Capital Loan.

It was decided that if Subrena Guy needs more money for her loan than the \$10,000. committed by Ridgely EDC, the State and County will be asked to assist. Jerry Sutton mentioned that a possible problem with financing a business start up loan is that there won't be any financial statements for review.

Commission Round Table Discussion:

Brenda asked if anyone knew of any new businesses coming to town. Joe said he had heard about a possible bed and breakfast at the Smith House, and a beauty shop going into the old ice cream parlor. Brenda noted that the bed and breakfast had failed an inspection. Kelly informed the EDC that she had someone coming to look at her property on Railroad Avenue who was interested in opening a sewing shop. Joe mentioned that he and John Balderson had met the gentleman who owns the billboard company in Mr. Brodie's buiding.

Meeting was adjourned at 7:56 P.M.

The next meeting will be held on February 13, 2008.