



# OPPORTUNITY ZONE LEADERSHIP TASK FORCE

Western Regional Summit  
Frostburg State University  
July 10, 2019 - 4:30PM

## Minutes

### I. Call To Order:

Lieutenant Governor Rutherford called to order the fifth regional meeting of the Opportunity Zone Leadership Task Force at 4:30PM on June 10, 2019 in Frostburg, Maryland.

### II. Roll Call/Attendees:

Task Force Members: Lt. Governor Rutherford, Secretary Kelly Schulz, Secretary Ken Holt, Secretary James Rzepkowski, Secretary Rob McCord, Assistant Secretary Sean Powell, Secretary James Fielder, Sylvia Lawson, Phil Hutson, Jake Romanell & Robert Brennan

Designees: Steve Benden, DHS & Vice President Al Delia, University Systems of MD.

Presenters: Michelle Christian, U.S. Small Business Administrations, Special Secretary of Smart Growth Wendi Peters, & Frank Dickson, DHCD

Absent: Dr. Charlene Dukes, Danielle Glaros & George Davis

### III. Introductions:

1. Member Introductions - See minutes from February 22, 2019 – Governor’s Reception Room Meeting
2. Mayor Flannigan – *Frostburg*  
Welcome to Frostburg and I’d like to call out to our local Delegation and thank them in front of you because they work well with us and we look forward to hearing what you have to say.

3. Al Delia – *Vice President of Frostburg University*  
Thank you for coming to Western MD. I would like to give you a warm welcome. Please let us know if there is anything we can do to make your stay better.

#### IV. New Business:

1. July 5, Havre de Grace - Minute Approval - Approved
2. Ms. Michelle Christian – *U.S. Small Business Administration*  
MD is really on the forefront and I want to congratulate you on your state and local initiatives. I serve district offices in the following states: PA, WV, DE, MD, VA, and D.C.

Question – The funds available from federal agencies, are they rolling? We saw that most of the periods for the grants have closed and we were wondering if they are ongoing.

Answer – I will need to update you on that, but I do know there is a list online.

3. Special Secretary Wendi Peters – *Smart Growth*  
Thank you, I am here to talk to you about the Appalachian Regional Commission (ARC) and Opportunity Zones (OZ). ARC is a regional economic development agency that represents a partnership of federal, state and local governments. In MD we have 3 counties that fall within the region: Garret, Washington and Allegany. ARC's mission is innovate, partner and invest to build community capacity and strengthen economic growth across Appalachia. Our work is integrating our state goals with ARC goals to maximize funding opportunities and return on investment to meet local needs and priorities across the 3 counties. OZ and the added incentives/programs championed by this administration is helping us attract new investment. What we look at for marketing and attracting new investments are distinct community assets, anchor institutions, public assets, infrastructure, and we focus on workforce development.

Earlier today, we visited 2 exciting OZ projects; one in Garret and one in Allegany. Garrett County is working with the state, locals and town on an infrastructure project that will provide 60 units of workforce housing as well as open up a commercial corridor for additional investment. Allegany County is working on Frostburg Gateway, linking FSU to a commercial corridor and improving access to the university but also providing a vital connection to increase the impact of the institution on economic development in the region.

4. Frank Dickson – *DHCD*  
Information Exchange overview – *See Presentation from February 22, 2019 – Governor's Reception Room Meeting.*

**V. Public Comment:**1. Senator Edwards – *District 1 – Garrett, Allegany & Washington*

I want to welcome you to mountain Maryland. I have served with several of you all (the panel) and welcome. These OZ maps include rural part of states. Most of our rural counties do not have priority funding areas (PFAs). 3% of land mass in Garrett County is a PFA. You can only stack incentives if you are in a PFA as well as OZ. My amendment to the Governor's bill made it so the land didn't need to be a PFA which allowed more of an opportunity to have the investors take advantage. We are one state and we need to help each other out. We need economic development here so our young ones can stay here and work. Thank you.

2. Delegate Bietzel – *District 1A – Garrett & Allegany*

I worked 18 years in water and sewer and I got to deal with a lot of the agencies that are here today. I may deviate a little bit from OZ but one issue I'd like to discuss is the closing of the Luke Paper Mill. It has deep tentacles in our community. We have a business man working on a project to resource the wood that won't go to the mill; we have wood chippers for the wood if we can't find a market for it, then we have to haul them to other places. Anything you all can do to help with this, would be appreciated. Also, western MD is unique for its parks and forestry. We need resources to keep our parks going. We've been promoting better utilization of state resources and hoping it allows for more opportunity for people to invest in our communities.

Response – As you all may know, an extensive amount of Cabinet Members came out to talk to your community when we heard the news and since then there has been several of rumors. The most recent was talk of a big sale – we are continuing to monitor that possibility but as of now, it is a rumor. DLLR did an amazing job to make sure that the employees are taken care of and the Federal Government approved the Trade Adjustment Act to make sure those employees will get more work trade benefits. DNR & Commerce have been working together on a grant application that will allow us to work together on a plan when it comes to the forest industry. We recognize the need to backfill the loss of jobs and the need to clean up those state parks. We are committed to the project.

3. Delegate Buckel – *District 1B – Allegany*

Thank you for coming here. Thank you to Bill Atkinson and Secretary Peters. Our 3 western counties and our cohorts on the eastern shore have not been able to take advantage of the opportunity and growth that the rest of the state has. We are not the same and cannot compete the same as Montgomery County and we are much larger than Frederick and Carroll. We need more incentives – we need all the help that the Task Force can offer.

4. Delegate McKay – *District 1C – Allegany & Washington*  
I just want to say thank you for coming out here.
5. Task Force –  
There are a lot of communities out here that are located in the OZs but they lack the infrastructure that other urban areas have, like sewer lines and water. We need to work to get more infrastructure out here to open more opportunity for investment.
6. Ameina Forceside- *Local Elected Official, Water and Recreation*  
Thank you for coming here. OZ was a very vague idea for quite a while and I appreciate learning more about the program. You all being here and ready to listen shows it really is a ground-up process. I'd like to piggy back on what Ms. Christain said – the bones that are already here such as water and sewer. Some of these systems need to be replaced. Would this be something that could be a part of the OZ funding?

Response –

This program was created to attract private capital. That project capital then flows into funds. The outcome of those projects for business is to achieve profit. However what you're pointing to is try to tie a community benefit and improve infrastructure to the marketplace. That's where the small business administration and 13 agencies are working hard to assist. If there is private equity coming to Frostburg, it's hopefully going to build a business incubator. If there's an infrastructure needed to help support that business, that's what we want to do.

Michelle Christian –

Also HUD and USDA has so many grants out there as well.

Ameina Forceside –

Another question: the natural resources, parks and recreational – we are applying for grants to protect trout streams, can those grants be stacked?

Response –

Yes and no – if it is creating 5 or more jobs within commerce than yes. It would depend on type of business and what they would qualify for. They may need to be more permanent jobs, not just seasonal.

7. Task Force –  
The Information Exchange publicizes all OZ in MD and if you have an area there, please advertise. List water sewer, schools, whatever infrastructure you need. A local network of financial leaders and economic development leaders can help create clear and unambiguous pathways for investors. Listing this information provides the chance for the investor to review and comment on what they want to bring in.

8. Tim Thomas – *Owner of International Wood Bioproducts*  
Anytime I approach someone about starting a business in MD, they ask, “Why do you want to do that?”, and I respond that I live in USA and MD – the 2 best places in the world. When the closing of the Mill happened we were concerned for a lot of reasons. There were people in debt for purchasing machinery assuming it was going to stay open. We needed to know what to do with it. I approached an investor in Canada and he did some research and found out that filtering out coal and using wood is a trend. I talked to some other investors and they all eagerly jumped on board. We talked to Safeguard International and they loved our idea of using our wood. We are very eager to get the company up and running 50,000 tons a month to 60 – depending on what country wants what. If I can create a business to help 500 families then I am going to do that. Logistically, it’s a little bit hard but working with CSX we are hoping in the next 120 days we will be in full production. One thing we noticed, is when we put our intention out there, businesses are reaching out – it shows that when you create opportunities, more follow. Thank you for coming to Western MD.
  
9. Paul Edwards – *Garrett County Commissioner*  
Tim hit on this and so did most of the other speakers. It has been nice for all you all to be visiting. In our administration it has been refreshing to have access to you all, and it is nice that you had a western MD regional meeting. I want to share with you our unique difference from the rest of MD; that is the decrease in population. It is a unique challenge, and it’s impacting our local school system. Over the last 15 years the Garrett County Public School system is impacted, which impacts the rest of the community. Tim’s project is a great project and it’s going to create a lot of jobs for Western MD.

Response –

Thank you and I want to say, with this administration, we know where western MD is and as the Governor has said many times the war on rural and western MD is over, this is MD and we make it a point of showing that.

**VI. Closing Remarks:**

Lt. Governor – Thank you all for coming out.

**VII. Next Meeting**

Location: Prince George’s Community College

Date: August 7

Time: 4:30PM

**VIII. Adjournment**

Lt. Governor adjourned the meeting at 6:21PM.