

**FISCAL YEAR 2020 ANNUAL REPORT
OF THE**



**As required by §2.5-207(a), Economic Development Article,
Maryland Annotated Code**

Respectfully submitted to the General Assembly of Maryland by

Anirban Basu, Chairman
Secretary Kelly M. Schulz, Commerce
401 East Pratt Street
Baltimore, MD 21202
December 2020



Larry Hogan, Governor | Boyd Rutherford, Lt. Governor

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MEDC Background

On April 28, 2015, Governor Larry Hogan signed into law House Bill 943, which restructured the Maryland Department of Business and Economic Development and renamed it the Maryland Department of Economic Competitiveness and Commerce. The Department was renamed the Department of Commerce (Commerce) by Executive Order effective on October 1, 2015, the same date the legislation became effective. The legislation also reformed the Maryland Economic Development Commission (MEDC) by expanding its membership and role. Under the legislation, which became Sections 2.5-201 through 2.5-207 of the Economic Development Article of the Maryland Annotated Code, the purpose of the Commission is to:

- 1) establish economic development policy in the State;
- 2) advise the Commerce Secretary on economic policy in the State;
- 3) oversee the operations of the Department and its units including the Department's efforts to support the creation of, attract, and retain businesses and jobs; and
- 4) monitor the operations of the Maryland Technology Development Corporation, the Maryland Economic Development Corporation, and the Maryland Public-Private Partnership Marketing Corporation, including the efforts of those entities to support the creation, attraction, and retention of businesses and jobs.

Membership

The MEDC is comprised of 25 voting members from all regions of Maryland, appointed by the Governor, Senate President, and House Speaker, two non-voting members, one appointed by the Senate President and one by the House Speaker; and four non-voting ex-officio members who represent Commerce, the Department of Labor, the Maryland Economic Development Corporation (MEDCO), and the Technology Development Corporation. (TEDCO). The Commission is responsible for developing economic policy recommendations that foster economic growth and increase Maryland's competitiveness. Commission members work with the Administration, the General Assembly, Maryland's business community and the general public to advocate pro-business policies. (See Appendix A for membership listing.)

Commission Chairman Anirban Basu is Chairman and Chief Executive Officer (CEO) of Sage Policy Group, Inc., an economic and policy consulting firm. The Vice Chair is Dr. Margaret Wood, President/CEO, WOOD Consulting Services, Inc. a technology and strategic solutions firm. As of December, 2018, the Department of Commerce has been led by Secretary Kelly M. Schulz, who directs the implementation of strategies to foster economic growth and increase Maryland's competitiveness.

Subcommittees

The Commission has two standing informal Subcommittees. The Strategic Plan Subcommittee, co-chaired by Aris Melissaratos and Laura Neuman and the Rankings and Research Subcommittee, chaired by Ed Coleman.

At the Commission's December 2019 meeting, upon a thorough review and recommendation by the Strategic Plan Subcommittee, the Commission endorsed the 2016 Strategic Plan goals and strategies. In support of the Secretary's guiding principle of "Prosperity with a Purpose," the Commission recommended the Department focus on driving innovation/technology transfer, outreach, and increased storytelling of programs and advantages of a Maryland business location. These themes continued to be the focus of the Department through 2020 in addition to business assistance and relief due to the COVID-19 pandemic.

The Rankings and Research Subcommittee, chaired by Mr. Ed Coleman continued to track relevant rankings as indicators of the State's competitiveness, business attraction and retention presented at Commission meetings. This Subcommittee presented the data as a Scorecard. (See Appendix B for latest 2020 Scorecard.)

2020 Meetings

The Commission held meetings on March 9, May 8, July 27 and December 14, 2020. The March meeting was held in the Governor's Reception Room in Annapolis. Due to the COVID-19 pandemic, the remaining meetings were held virtually. (Meeting Minutes are found in Appendices C-F.)

2021 Meetings

2021 Commission meetings are scheduled for March 27, June 14, September 13 and December 6. Meeting dates, agendas and minutes are posted on the Department of Commerce website.

Closing Statement

Throughout 2020, with the challenges of the global COVID-19 pandemic, the Department of Commerce remained focused on driving innovation, increasing outreach and storytelling while pivoting to focus on the immediate business assistance programs. Not only has the Department driven innovation in the businesses community but also internally as the Department adapted at record pace to serve the business community under Secretary Schulz's leadership.

Through Annual Reports, monitoring updates to the economic indicators Scorecard, and engagement with the Department of Commerce, the MEDC will continue to evaluate and advise the Department and Administration on strategies and tactics to position the Department as an operational center of excellence to support robust economic prosperity with a purpose throughout the state.

APPENDIX A

MEDC VOTING AND NON-VOTING MEMBERS

Anirban Basu, Chairman; Chief Executive Officer, Sage Policy Group
Margaret Wood, Ph.D., Vice Chairman; WOOD Consulting Services, Inc.
Kenneth R. Banks; President, Chief Executive Officer and Founder, Banks Contracting Company, Inc.
Howard B. Bowen; Chief Executive Officer, Ewing Oil Company
Scott Burger, Chief Executive Officer, Lolli and Pops
Ed Coleman; Board Member, Ciox Health
Annemarie Dickerson; Owner, Francis Scott Key Family Resort
Kai Hirabayashi, Senior Manager of Public Policy, Amazon
Arnold Jablon, Esq., Senior Counsel, Venable, LLP
Martin Knott, Jr.; President, Knott Mechanical, Inc.
Manish Kothari; President/Chief Executive Officer, Sheladia Associates, Inc.
Julie Lenzer; Former Executive Director, Maryland Center for Entrepreneurship
Aris Melissaratos; Former Secretary of the Maryland Department of Business and Economic Development
Michael Miller, President, OGOS Energy, LLC
Laura Neuman, Entrepreneur
Jeanette Glose Partlow, President, Maryland Chemical Company
Elizabeth Rendón-Sherman; Chief Executive Officer/Chief Financial Officer, LG-TEK
Robert L. Wallace; President and Chief Executive Officer, BITHGROUP Technologies
Julian B. Wills, Jr.; Chairman, President and CEO, The Wills Group, Inc.

Non-voting ex-officio Members

Kelly M. Schulz.; Secretary, Department of Commerce
Tiffany Robinson; Secretary Department of Labor
Brian J. Feldman; Senate, District 15, Montgomery County
Brian Crosby, Delegate, District 29B, St. Mary's County
Robert Brennan; Executive Director of Maryland Economic Development Corporation (MEDCO)
Troy LeMaile-Stovall; CEO and Executive Director, Maryland Technology Development Corporation (TEDCO)

Commerce Support:

Julie Woepke, Executive Director, MEDC, Office of the Secretary

APPENDIX B – Scorecard, December 2020 (attached)

APPENDIX C



March 9, 2020
Governor's Reception Room, 100 State Circle, Annapolis
12:00pm – 2:00pm
Minutes

Commissioners in attendance:

Anirban Basu	MEDC Chair, Sage Policy Group
Marty Brunk	MEDC Vice Chair, RSM
Howard Blackwell Bowen	Ewing Oil Company, Inc.
Scott Burger	Lolli & Pops (call in)
Ed Coleman	Ciox Health
Julie Lenzer	UM Ventures
Jeanette Glose Partlow	Maryland Chemical Company, Inc.
Elizabeth Rendón-Sherman	LG-TEK (call in)
Robert Wallace	BITHGROUP Technologies (call in)
J. Blacklock Wills	The Wills Group
Margaret Wood	WOOD Consulting

Ex-Officio Members:

Secretary Kelly Schulz	Department of Commerce
Secretary Tiffany Robinson	Department of Labor
Linda Singh	Maryland Technology Development Corporation (TEDCO)
Brian Feldman	Senator, District 15, Montgomery County

Guests:

Allison Mayer	Office of the Governor
Meredith Wimbrow	Office of the Governor
Claire Broido Johnson	Maryland Momentum Fund
Tom Sadowski	University System of Maryland
Pauleesha Rivera	WOOD Consulting

Commerce Staff:

Julie Woepke	MEDC Executive Director
Signe Pringle	Assistant Secretary
Tom Riford	Assistant Secretary
Rhonda Ray	Managing Director

Jayson Knott
Jennifer LaHatte
Nancy McCrea
Mike Siers
Kyle McColgan

Senior Director
Director, Policy & Program Development
Director of Research
Economist
Special Advisor to the Secretary

I. Call to Order

Chairman Basu called the meeting to order at 12:00pm and welcomed attendees and guests.

II. Chairman's Updates

Chairman Basu began his remarks by stating that Maryland is currently at its best and given its institutional strength and Federal contracting advantage, the State will be more insulated as a recession occurs. He indicated that leisure, hospitality and energy sectors will be most affected. Pointing to the higher minimum wage rates, he stated industries impacted by a recession will accelerate layoffs. He questioned the proposed legislation to increase sales tax on luxury items when these goods and travel are less likely to be purchased during a recession.

III. Consent Agenda

Upon a motion duly made and seconded, the minutes of the December 9, 2019 meeting were approved. Chairman Basu reported that in preparation of the annual meeting attendance to the Governor's Office, it was identified that a Commissioner had connected via conference phone to two (2) of the 2019 meetings necessitating the re-approval on the minutes. Upon a motion duly made and seconded, corrected minutes of the June 13, 2019 Meeting and September 17, 2019 meetings were re-approved.

IV. Commerce Secretary Update

Secretary Kelly Schulz addressed the Commission and reported that with the recent hire of an economist, the Department will be watching closely to economic indicators in light of the global coronavirus (COVID-19) pandemic and impact to the marketplace and industries. Secretary Schulz announced that in FY20, the Department would celebrate and promote entrepreneurship in every industry sector. She referenced that there will be an upcoming marketing announcement related to biotechnology, life sciences, cybersecurity and quantum computing.

With respect to the impact of COVID-19, she stated the Department is preparing in advance. Telecommuting policies will be in effect. The Department is closely evaluating whether to participate in out of state and international travel for trade shows and missions. She referenced the impact to the Department budget on canceled trips, deposits, and reimbursements from the Federal government related to travel associated with programs. Secretary Schulz reported that the Governor has been proactively addressing the pandemic related to funding for testing, resources for businesses and residents, educating the public and coordinating with Governors nationally.

Secretary Schulz continued to state that 11% of the traffic to the Port of Baltimore arrives from China. Shipments from China have declined, affecting hourly workers and delaying the delivery of components and goods. She stated that Maryland is less impacted than other east coast ports. She added that cruise ship activity will also be impacted. She assured the Commission that 68% of Maryland tourists arrive by vehicle. Secretary Schulz discussed that additional events, activities, educational institutions and businesses that may be impacted.

The floor was open to Commissioners to continue the discussion on the COVID-19 impacts and provide the Secretary with feedback related to their industries.

Chairman Basu predicted that there will be a hiring slowdown and it will not pick up until April or May. He referenced that the Federal government would need to step in with an infrastructure stimulus program similar to initiatives taken during the 2009 Recession. Maryland was prepared then to access the Federal funds and remains prepared if funds become available to support infrastructure projects. All agreed on the need to keep the public informed on the emerging pandemic. (A handout produced by J.P. Morgan was referenced and is on file.)

Secretary Schulz then introduced Rhonda Ray, Managing Director, Office of Public Policy and Research who provided an update on the Departmental Bill HB851/SB26 – Partnership for Workforce Quality (PWQ) program amendments that would modernize the program to meet the needs of businesses. She then addressed a number of Bills that seek to eliminate the Department Tax Credit programs, thus affecting the State’s competitiveness to attract, grow and retain jobs.

Ms. Jennifer LaHatte addressed the Commission to review the Department’s FY21 Operating Budget while being reviewed by Legislative Committees. (See attachment on file.)

Dr. Linda Singh then addressed several pieces of legislation related to TEDCO and the Maryland Technology Infrastructure Program, Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Programs. Senator Feldman referenced he is sponsoring several of the bills and is working diligently to continue to support businesses and innovation.

Mr. Jayson Knott, Senior Director, Office of Business Development and Business Services addressed the Commission and provided an update to the business development activity. He reviewed recent and pending wins, and new and ongoing open opportunities. He referenced that while the Department’s list of opportunities is growing, businesses are taking longer to make facility decisions. He added that the Department is engaged in the process earlier than in previous years. (Presentation on file.)

V. Momentum Fund

Ms. Claire Broido Johnson, Managing Director of the Maryland Momentum Fund addressed the Commission and provided an overview of the Fund. The \$10M Fund was established by the University System of Maryland (USM) Board of Regents in June of 2016 with investments starting in mid-2017. The purpose of the Fund is to invest in the most promising USM-affiliated technologies and people. She provided her background and experience in investing in businesses and as a business owner who is passionate about growing Maryland’s entrepreneurial ecosystem.

Ms. Broido Johnson then provided her view on Maryland's entrepreneurial ecosystem citing lack of risk-taking investors and interesting fundable startups; late stage investors require startups to move; lack of middle level and high-level managers; and a small ecosystem. She reviewed several startups that funded by the Momentum Fund. She then described the investment criteria for businesses and encouraged referrals. She then answered questions of the Commission citing best practices in other states and noting the need for financing tools to advance the clean energy industry. (Presentation on file.)

VI. Technology Development Corporation (TEDCO) FY20 Quarterly Reports

Dr. Linda Singh, Interim Executive Director & CEO of TEDCO addressed the Commission. Dr. Singh provided an update on the organization and emphasized that staff is educating businesses on a flat budget which TEDCO must comply and is not standard for startups. She stated all TEDCO funds are spent on the startup community. She indicated that due to audits and implementation of regulations last year, TEDCO investing was paused until January 3, 2020. Auditable regulations are now in place and the team is implementing a customer relationship management system to further build the pipeline of businesses and grow the ecosystem. She added that TEDCO will be seeking more Federal and private investment.

VII. MEDC Subcommittees Discussion

Mr. Ed Coleman, Chair of the Rankings and Research Subcommittee reviewed the latest Scorecard. He highlighted the strength of the State's unemployment rate and improvement to the 24/7 Wall Street 2020 ranking to #9 from #18 in 2019 among others.

VIII. Good of the Order

No additional information was shared among the Commissioners.

IX. 2020 Meetings: May 8, September 8, December 14, 2020

X. Adjournment

Upon a motion duly made and seconded, the meeting adjourned at 1:25pm.

APPENDIX D



May 8, 2020
Via Teleconference 1-720-739-2828 PIN: 414 621 439#
12:00pm – 1:00pm

Commissioners in attendance:

Anirban Basu	MEDC Chair, Sage Policy Group
Howard Blackwell Bowen	Ewing Oil Company, Inc.
Scott Burger	Lolli & Pops
Ed Coleman	Ciox Health
Annemarie Dickerson	Former owner Francis Scott Key Family Resort
Kai Hirabayshi	Amazon
Martin Knott, Jr.	Knott Mechanical, Inc.
Manish Kothari	Sheladia Associates, Inc.
Julie Lenzer	UM Ventures
Aris Melissaratos	Former Secretary, Maryland Department of Business and Economic Development
Mike Miller	OGOS Energy, LLC
Laura Neuman	Entrepreneur
Jeanette Glose Partlow	Maryland Chemical Company, Inc.
Elizabeth Rendón-Sherman	LG-TEK
J. Blacklock Wills	The Wills Group
Margaret Wood	Wood Consulting

Ex-Officio Members:

Secretary Kelly Schulz	Department of Commerce
Secretary Tiffany Robinson	Department of Labor
Robert Brennan	Maryland Economic Development Corporation (MEDCO)
Linda Singh	Maryland Technology Development Corporation (TEDCO)
Brian Feldman	Senator. District 15, Montgomery County

Guests:

Allison Mayer	Office of the Governor
Meredith Wimbrow	Office of the Governor
Montana Williams	Evans & Associates, LLC
Holden Wilen	Baltimore Business Journal

Commerce Staff:

Julie Woepke	MEDC Executive Director
Signe Pringle	Assistant Secretary
Tom Riford	Assistant Secretary
Rhonda Ray	Managing Director
Jessica Reynolds	Senior Director
Allyson Redpath	Director
Nancy McCrea	Research Director
Mike Siers	Economist

I. Call to Order

Chairman Basu called the meeting to order at 12:00pm.

II. Chairman's Updates

Chairman Basu began his remarks by addressing the impact of the COVID-19 pandemic on Maryland and Virginia's economies, which he said are faring better than many other states. He stated he believed the economic downturn is short and ambitious with expectations of improvement in the third and fourth quarters the calendar year. In reference to facing empty storefronts, he said this is the time for entrepreneurship. He concluded by stating that the Commission and the Department must pursue the growth of the entrepreneurship ecosystem as much as possible to turn the tide.

III. Consent Agenda

- a. March 9, 2020 Meeting Minutes – Senator Feldman offered a correction to the minutes. Correction accepted by the Commission unanimously.
- b. TEDCO FY20 Quarterly Report

Upon a motion duly made and seconded, the Consent Agenda was approved.

IV. Commerce Secretary Update

Secretary Kelly Schulz began her presentation by outlining the rapid response by the Department to perform continuous operations during the pandemic. She highlighted the four (4) steps of rapid business response – 1) Communications/Outreach, 2) Funding, 3) Marketing, and 4) Recovery. Secretary Schulz summarized the multiple forms of communications and outreach to the business community; launching of the Relief Loan and Grant Funds; and the Personal Protection Equipment (PPE) Manufacturing Fund that has sparked innovation, collaboration and solutions. She also described the Maryland State Arts Council (MSAC) Emergency Grants and emphasized the appreciation of the collaboration of volunteers from multiple State Agencies to assist with the processing of applications. She noted the Department's due diligence to prevent fraudulent or duplicative applications for funding.

Secretary Schulz reviewed budget impacts from COVID-19; and reviewed the impact to international travel; the vetting of foreign products and services; assistance to Maryland businesses seeking to market internationally; and reduction and/or cancellation of Trade

Missions and Shows. With respect to marketing, she reported the repositioning from business attraction to directing Maryland businesses to potential resources. She highlighted the launching of the COVID-19 Business Resources on Maryland Business Express website; launching of the new loan and grant programs; creation of new online applications; and significant messaging of Maryland businesses doing COVID-19 work. She added that the Open for Business Campaign is on hold. She encouraged the Commissioners to review the video created to highlight the innovativeness of businesses during the crisis.

Secretary Schulz stated the next steps to recovery include input from 13 Industry Advisory Groups and two (2) Non-Profit and Faith-based Advisory Groups to guide in the recommendations of the procedures to reopen businesses. She said one-page documents are being prepared to guide industries on the process for safely reopening of businesses. Tourism, the industry hit hardest by the pandemic, has paused advertising but continues social media outreach. She added a new concept for tourism advertising was developed and best practices as part of the Tourism Task Force were drafted. Secretary Schulz concluded her presentation by stating that business development, while not as robust as earlier in the year, continues with a few new projects. (Presentation on file.)

Secretary Schulz then addressed the Chair's question in reference to fraudulent loan or grant applications.

V. Department of Labor COVID-19 Updates

Secretary Tiffany Robinson addressed the Commission and provided a detailed review of the impact COVID-19 has had on employment. She stated that to date, the State has awarded over \$9M to 454 employers for the Layoff Aversion Fund of which 98% of employers have received the grant. This has resulted in assisting nearly 9,000 Marylanders to keep their jobs. Secretary Robinson then described the improved and rapid deployment of a new BEACON One-Stop system to process unemployment benefits. She described the recent increase in unemployment insurance filings due in part to the addition of the gig economy being eligible through the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 that allows 47,000 more individuals to file for unemployment benefits. Secretary Robinson also reported the importance of due diligence and the prevention of fraudulent activity related to the benefits.

Secretary Robinson highlighted the additional personnel hired to process applications and noted the increase in call center hours and days. She then provided resources and information on Divisions working to train and retrain individuals to enter new jobs and the extension of professional licensing application deadlines. (Presentation on file.)

VI. Good of the Order

Commissioner Michael Miller inquired of Secretary Schulz the mechanism used to advertise the Grant and Loan Programs. Secretary Schulz replied that the programs were advertised through all media outlets - the websites of Department of Commerce and other State Agencies and the Office of the Governor, in addition to Press Releases and social media.

VII. 2020 Meetings: Chairman Basu announced the upcoming meeting dates of September 8, and December 14, 2020.

VIII. Adjournment

Upon a motion duly made and seconded, the meeting adjourned at 12:55pm.

APPENDIX E



July 27, 2020
12:00pm – 2:00pm
Minutes

Commissioners in attendance:

Anirban Basu	Chair, Sage Policy Group
Margaret Wood	Vice Chair, Wood Consulting
Scott Burger	Lolli & Pops
Annemarie Dickerson	Former Owner, Francis Scott Key Family Resort
Kai Hirabayshi	Amazon
Manish Kothari	Sheladia Associates, Inc.
Julie Lenzer	UM Ventures
Aris Melissaratos	St. John Properties
Mike Miller	OGOS Energy, LLC
Laura Neuman	Entrepreneur
Jeanette Glose Partlow	Maryland Chemical Company, Inc.
Elizabeth Rendón-Sherman	LG-TEK

Ex-Officio Members:

Secretary Kelly Schulz	Department of Commerce
Secretary Tiffany Robinson	Department of Labor
Robert Brennan	Maryland Economic Development Corporation (MEDCO)
Linda Singh	Maryland Technology Development Corporation (TEDCO)
Senator Brian Feldman	Maryland Senate, District 15

Guests:

Meredith Wimbrow	Office of the Governor
Bruce De Puyt	Maryland Matters
Erika Schissler	Maryland Department of Legislative Services
Emily Haskel	Maryland Department of Legislative Services

Commerce Staff:

Julie Woepke	MEDC Executive Director
Kyle McColgan	Special Assistant to the Secretary
Signe Pringle	Assistant Secretary
Tom Riford	Assistant Secretary

Mat Palmer
Nancy McCrea
Jayson Knott

Elizabeth Carven
Lisa Swoboda
Mike Siers
Allyson Redpath
Jennifer LaHatte

Chief Operating Officer
Director, Research & Information Services
Senior Director, Business Development Business & Retention
Senior Director, Regional Growth & Retention
Senior Director, Military & Federal Affairs
Economist
Director, Entrepreneurship
Director, Policy & Program Development

I. Call to Order

Chairman Basu called the meeting to order at 12:02pm and welcomed attendees and guests. Roll call of the Commissioners taken. Chairman Basu made several announcements related to Commissioners and stated that with the resignation of Vice-Chair Marty Brunk, the position of Vice Chair was offered and accepted by Dr. Margaret Wood.

II. Chairman's Updates

Chairman Basu provided a brief overview of the economy and the effects of COVID-19. Reflecting on the Commission's May meeting and the importance of flattening the curve of COVID-19 cases to affect the economy, he stated Maryland has done well overall to bring the unemployment rate down to 8% from the 14.3% high in the spring. He added that nationally, 13 million workers are unemployed. However, retail, home and used car sales are showing signs of recovery. He added that while the State has not yet seen the V recovery, there is progress as long as individuals and businesses feel comfortable with COVID-19 cases, prevention measures, guidance and compliance.

III. Department of Commerce Update

Commerce Secretary Kelly Schulz began her presentation by stating in addition to the COVID-19 business response, the Department has been very active in the four (4) areas recommended by the Commission during the re-evaluation of the Strategic Plan: 1) Communication & Outreach, 2) Messaging, Telling Our Story, 3) Regionalism, and 4) Innovation & Entrepreneurship. She began her presentation by providing a brief overview of early COVID-19 impacts to the economy by several of the Commission's Scorecard Indicators – Overall Unemployment and by Region; BWI Passengers; Consumer Spending; Leisure and Hospitality revenues; and Venture Capital Investments.

Chief Operating Officer Mat Palmer provided an overview of the State Budget in light of COVID-19, reflecting on the impact from reduced revenues resulting in a FY21 shortfall of \$2.6B and a projected FY22 shortfall of \$4B. He described potential impacts to the Commerce budget and provided an update on the Department's current personnel.

Chairman Basu inquired where the State and Department would spend future Federal funds, if approved. Mr. Palmer stated funds to be retargeted to those businesses in need.

Secretary Schulz then described current impact to the Advantage Maryland Program due to the current economic climate. She noted businesses are reporting lower projected job numbers and the Department's exploration of methods to assist businesses in reaching their requirements. Secretary Schulz then provided an overview of the COVID-19 Relief Business Assistance Grants and Loan Programs. She updated the Commission on the avenues of communication of the relief programs and efforts.

Assistant Secretary Tom Riford presented the recent activity of the Maryland Marketing Partnership. He highlighted new online and print advertising; out of home ad placements; the postponement or cancellation of trade shows and events; and introduced the launch of "Innovation Uncovered" blog focused on entrepreneurs and the search for the "Future 20." Mr. Riford reviewed the Back to Business webpages that provide guidance to businesses in reopening. He concluded by describing the traditional tourism advertising and the launching of public service announcements encouraging the use of masks, "Mask on Maryland."

Ms. Elizabeth Carven addressed the Commission by providing an update on the Regional Team COVID-19 business response activities and the daily funding and updates to local economic development partners. She described the continuous communication between partners, legislators, industry groups and Chambers of Commerce. She concluded by highlighting new development projects by regions and announced a partnership with Hub Labels to print and mail "Safely Open" window clings to economic development offices for distribution to businesses.

Ms. Lisa Swoboda continued the topic of Regionalism by describing the Defense Manufacturing and Statewide Joint Land Use Compatibility Implementation Grants awarded to the State. Among the activities the grants will support include: expansion and acceleration of technology transfer; technology readiness assessments and use case development; apprenticeship programs; training curricula; outreach and awareness to support military installations; land use technical assistance and guidance; renewable energy siting compatibility and legislative tools and policy updates.

Mr. Michael Siers concluded the topic of Regionalism by reviewing data collected on the potential continuation of remote working by industry sector and region and highlighting the benefits. He noted that remote working would lead to more life work balances and potentially draw more workers to Southern and Western Maryland. He emphasized the disparity of broadband access and the impacts to remote workers, education and telemedicine.

Mr. Jayson Knott presented a number of recent project wins reflecting over 200 new jobs. He described pending announcements that could generate 1,700+ jobs. He reviewed new opportunities with a focus on data centers, and ongoing open attraction and expansion opportunities.

Ms. Allyson Redpath presented an overview of the creation of the new Office of Entrepreneurship and Small Business. The focus of the Office will include building the ecosystem universe of high growth startups, low growth small businesses and businesses in the middle. The universe will also include investors, incubators/accelerators, trade and technology organizations and technology transfer offices. Ms. Redpath proceeded to describe a number of

initiatives in progress and the development of an ecosystem database in collaboration with TEDCO and the University System of Maryland.

All presentations are on file.

IV. Department of Labor Update

Secretary Tiffany Robinson provided an update on unemployment noting that since the beginning of COVID-19 pandemic, the Department has paid out over \$45.2B in benefits. She reported that the Department in partnership with the U.S. Attorney's Office and the State, uncovered a massive and sophisticated criminal enterprise involving over 47,500 fraudulent unemployment insurance claims totaling over \$501M. Secretary Robinson described the deployment and promotion of the Layoff Aversion Fund that supplements the Work Share Program – all in support of keeping workers employed. She provided details of the Work Share Program and benefits to both the employer and employee. Presentation on file.

Commissioner Feldman inquired on the length of time needed by the Department of Labor to distribute funds to individuals if additional Federal funds are received. Secretary Robinson indicated that depending on the variables and amounts, the Department is in a good position to disburse the funds.

V. Review and approval of the May 8, 2020 Meeting Minutes

Upon a motion duly made and seconded, the May 8, 2020 Meeting Minutes approved.

VI. TEDCO FY20 Quarterly Report and Updates

Chairman Basu recognized the contributions and thanked Interim Executive Director and CEO Linda Singh, noting that this is her last meeting. She announced that Troy LeMaile-Stovall would be joining TEDCO in September as Executive Director and CEO. Ms. Singh also reported that several other leadership roles are to be announced in the near future.

Ms. Singh referenced the FY20 Q2 quarterly report noting 14 investments in businesses that reflect 24 Maryland employees and a total investment of \$1.75M. She thanked the Commission for supporting TEDCO.

VII. Good of the Order

Chairman Basu thanked all of the presenters for excellent content and opened the floor for discussion. Among the areas of discussion included broadband expansion and the importance for telework, education and medicine and potential solution related to taxing internet service providers; alternative providers of service in Baltimore City; the number of grants and loans reviewed; and assistance with matchmaking of manufacturing suppliers and buyers.

VIII. 2020 Meetings: Chairman Basu announced the upcoming meeting date of December 14, 2020.

IX. Adjournment

Upon a motion duly made and seconded, the meeting adjourned at 1:48pm.

APPENDIX F – DRAFT**



December 14, 2020

Via Google Meet

<https://meet.google.com/uoh-buxt-zyh?hs=122&authuser=0>,

Phone in 1-904-717-5059, PIN: 997116554#

12:00pm – 2:00pm

Minutes

Commissioners in attendance:

Anirban Basu	MEDC Chair, Sage Policy Group
Margaret Wood	MEDC Vice Chair, WOOD Consulting
Howard Blackwell Bowen	Ewing Oil Company, Inc.
Ed Coleman	Ciox Health
Annemarie Dickerson	Francis Scott Key Family Resort
Joshua Greene	O.A. Smith Corporation
Kai Hirabayshi	Amazon
Arnold Jablon	Venable
Manish Kothari	Sheladia Associates, Inc.
Julie Lenzer	UM Ventures
Aris Melissaratos	St. John Properties
Laura Neuman	Entrepreneur
Jeanette Glose Partlow	Maryland Chemical Company, Inc.
Elizabeth Rendón-Sherman	LG-TEK
Robert Wallace	BITHGROUP Technologies

Ex-Officio Members:

Secretary Kelly Schulz	Department of Commerce
Michael Harrison for Secretary Tiffany Robinson	Department of Labor
Robert Brennan	Maryland Economic Development Corporation (MEDCO)
Troy LeMaile-Stovall	Maryland Technology Development Corporation (TEDCO)

Guests:

Meredith Wimbrow	Office of the Governor
Emily Haskell	Maryland Legislative Services
Elizabeth Shwe	Maryland Matters
Charlotte Davis	Rural Maryland Council
Erika Schissler	Senate Budget and Taxation Committee Staff

Nicholas Manis

Manis Canning & Associates

Commerce Staff:

Julie Woepke	MEDC Executive Director
Signe Pringle	Assistant Secretary
Tom Riford	Assistant Secretary
Kyle McColgan	Special Assistant to the Secretary
Jayson Knott	Senior Director
Rhonda Ray	Managing Director
Heather Gramm	Senior Director
Jessica Reynolds	Senior Director
Jennifer LaHatte	Director
John Papavasiliou	Chief Operating Officer
Nancy McCrea	Research Director
Michael Siers	Economist

I. Call to Order

Chairman Basu called the meeting to order at 12:02pm and welcomed attendees and guests. Chairman Basu welcomed and introduced the newest Commissioner, Arnold Jablon, Esq., a Speaker of the House Appointee. Roll Call taken.

II. Chairman's Updates

Chairman Basu began his presentation by disclosing his comments were his personally and do not reflect the opinion of the Commission. He expressed his disappointment in the State's 7.8% unemployment rate in light of entering the post-holiday seasonal unemployment increase. He recommended that in the future, the State must plan for these type of pandemics and the economic impacts. He pointed to the impact of locally mandated closure of restaurants particularly when the State has provided financial support to assist restaurants to remain open. He questioned whether the jurisdictions evaluate the impact of such actions on businesses. Chairman Basu's comments led to a discussion among the Commissioners who recognized that it is a balancing act and that it is important to follow the science.

III. Consent Agenda

Upon separate motions duly made and seconded, the Commission approved items III. a. Meeting Minutes of July 27, 2020 and III. e. Maryland Economic Development Assistance Fund and Authority (MEDAAF) Advantage Maryland Annual Industry Sector Review, were approved. Upon a motion duly made and seconded, the Commission accepted items III. b. c. and d.

The Chair also announced that the Department's FY22 Budget request was reviewed. While there will be challenges ahead due to the current economic climate, the Budget request is in accordance with the Strategic Plan strategies.

IV. Commerce Secretary Update

Secretary Schulz began her presentation by giving an overview to date of the Federal Funds received by Maryland businesses from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Small Business Administration (SBA) Paycheck Protection Program (PPP), Economic Injury Disaster Loan (EIDL) and EIDL Advance Programs. She then broke down the disbursement of the \$250 million Rainy Day Funds released by the Governor in October.

Mr. Michael Siers continued the Department's presentation by providing an overview of the State's current economic situation and factors continuously being tracked. He also provided an update on the Task Force for the Economic Future of Western Maryland. Secretary Schulz then provided an overview of the Annual Report, Personnel, Innovation Programs and ongoing outreach with the public, legislators, economic development partners, and the distribution of information on various forms of media.

Mr. Jayson Knott gave an overview of the major business development activities since the Commission's last meeting in July. He described three (3) recent wins and 1,485 new jobs that are a result of pending business attraction and expansion projects. He noted the number of remaining projects in the pipeline including headquarters projects in Baltimore City and the Capitol Region, three (3) government projects and projects in Western Maryland and the Eastern Shore.

Commissioner Annemarie Dickerson brought to the Commission's attention the continuous need for workforce in the hospitality industry in Ocean City and described a few innovative public private measures to address the shortages.

Assistant Secretary Tom Riford provided an update on the Maryland Marketing Partnership activity describing pandemic adjustments to advertising, media placements, and marketing. He highlighted new ads that continue tell the story of Maryland's workforce, quality of life and business opportunity. He then reported that the Partnership had hired Abel Communications for a National Public Relations Campaign.

Mr. Riford then presented the update on the Office of Tourism and described the Open for Tourism Campaign; and stated the Office continues to coordinate with hotels, restaurants, county tourism offices, and the tourism coalition. He stated the Office recruited fellows to work on the 400 Years of African American History project. He then provided customer spending and the economic impact of tourism to the State. He concluded by noting the launch of the revamped VistMaryland.Org and the increased traffic to the site.

Ms. Jessica Reynolds provided an update on the Office of International Investment and Trade (OIIT). With travel halted, the Office continues to be active with virtual programming, strategic initiatives such as formal signing of agreements foreign countries, funding businesses through the SBA STEP Program and planning of upcoming initiatives.

Secretary Schulz then introduced the Department's new Chief Operating Officer, John Papavasiliou who made introductory comments.

All Presentations are on file.

V. TEDCO Update

Mr. Troy LeMaile-Stovall, CEO & Executive Director addressed the Commission and provided an overview of activities of TEDCO, its core values, focus and areas of concentration to include expanding work with community colleges, Frostburg University, University of Maryland Eastern Shore and others to develop and nurture innovation. He emphasized the importance of knitting resources, rethinking the definition of investment, inclusiveness across the state, rural vs urban, and intentional inclusivity. He noted that TEDCO need not always lead with the funding. Mr. Stovall then responded to comments made by Commissioner Bob Wallace who inquired whether there is a Metrix of investment into specific areas to determine inclusiveness. Mr. Stovall said they are looking for physical space in Baltimore City and throughout the state to have more presence. He thanked the Commission and said he looked forward to working together.

Presentation on file.

VI. MEDCO Update

Mr. Bob Brennan, Executive Director, provided an overview of MEDCO activities noting that development projects had not lessened due to the pandemic. He stated construction was strong and protocols are taken to create safe spaces. In addition to providing the Corporation's Fiscal Year Activities at a glance, noting the recent clean audit, he highlighted bonding activity and several construction projects.

Presentation on file.

VII. Subcommittees

Commissioner Ed Coleman, Chair of the Rankings and Research Subcommittee, noted the updated Scorecard reflects some of the previous discussion among the Commissioners. He encouraged all to review the Scorecard where they will find a number of strong indicators that the State is moving forward and progressing in many areas despite the pandemic.

VIII. Good of the Order

Commissioner Jeanette Glose Partlow brought to the Commission's attention the recent Federal Internal Revenue Service (IRS) statement prohibiting the use of Federal EIDL and PPP funds for ordinary business expenses. She raised this concern in addition to no further funds for the programs. Secretary Schulz said the State has expressed concern regarding the extension of Federal funds to businesses to the Federal Delegation. She added that the State recently announced the forgiving the CARES Act loans distributed by the Department and what a significant impact that would be made if the Federal Government does the same.

Secretary said Commerce could prepare a letter on behalf of the Commission to forward to the Federal Delegation with the concern expressed by Commissioner Partlow.

IX. 2021 Meetings

The 2021 meeting schedule was announced by the Chair.

X. Adjournment

Upon a motion duly made and seconded, the meeting adjourned at 2:13pm.

December 14, 2020 Minutes are in draft form and will be presented for approval at the March 26, 2020 Commission meeting.