



Tuesday, May 9, 2017  
MGM National Harbor Grand Ballroom, Salon A  
101 MGM National Avenue, National Harbor, MD  
12:00pm – 2:00pm  
**Minutes**

**Commission Members in attendance:**

Anirban Basu	MEDC Chairman, Sage Policy Group
Marty Brunk (call in)	MEDC Vice-Chair, RSM
Ken Banks	Banks Contracting Company, Inc.
Howard Blackwell Bowen	Ewing Oil Company, Inc.
Ray Briscuso, Jr.	MedTech Conference Partners
Ed Coleman	CIOX Health
Annemarie Dickerson	Francis Scott Key Family Resort
Ed Dunn	American Mechanical Services
Kai Hirabayashi	Caterpillar, Inc.
Manish Kothari	Sheladia Associates, Inc.
Julie Lenzer	UM Ventures
Laura Neuman	Former Anne Arundel County Executive
Jeanette Glose Partlow	Maryland Chemical Company
Elizabeth Rendón-Sherman	LG-TEK
Brian Rogers	T. Rowe Price Group
Susan Schwab (call in)	Mayer Brown, LLP
Brenda Smith	The Greater Cumberland Committee
Robert Wallace	BITHGROUP Technologies
J. Blacklock Wills, Jr.	The Wills Group
Dr. Margaret Wood	WOOD Consulting Services, Inc.

**Ex-Officio Members:**

Robert Brennan	Maryland Economic Development Corporation (MEDCO)
Benjamin Kramer	Delegate, District 19, Montgomery County
Secretary R. Michael Gill	Department of Commerce
John Wasilisin	Maryland Technology Development Corporation (TEDCO)

**Guests:**

Mike Pappas	MGM National Harbor
Jennifer Colton	MGM National Harbor
Jody Sprinkle	Department of Legislative Services

Sally Guy  
Jennifer Khovananth

Department of Legislative Services  
U.S. Drug Enforcement Agency

**Commerce Staff:**

Ben Wu  
Brady Walker  
Julie Woepke  
Steve Pennington

Liz Fitzsimmons  
Single Pringle  
Greg Derwart

Allison Mayer  
Emily Tocknell  
Nancy McCrea  
Rich Higgins  
Greg Bird  
Chelshie Caizzi

Deputy Secretary/Chief Operating Officer (COO)  
Special Assistant to the Secretary  
MEDC Executive Director  
Managing Director, Business and Industry Sector  
Development  
Managing Director, Tourism, Film and the Arts  
Managing Director, International Investment and Trade  
Managing Director, Administration and Customer  
Experience  
Managing Director, Marketing and Communications  
Assistant Director, Policy  
Director of Research  
Policy Planning and Inter-Agency Coordination  
Web Development/Customer Service Coordinator  
Executive Associate, Office of the Secretary

**Agenda**

**I. Call to Order**

Chairman Basu called the meeting to order, welcomed attendees and guests, and introduced new Commissioners Kai Hirabayashi and Jeanette Glose Partlow.

**II. Welcome Remarks**

Mike Pappas, Vice President and General Counsel, MGM National Harbor welcomed the attendees and provided an overview of the property. He stated the \$1.4 billion project opened in December of 2016 and is the highest revenue producing casino in Maryland and one of the most profitable of all MGM properties. He described features of the project as found in the handout on file. He added the project exceeded its minority contracting goal and described a unique public private partnership related to a Labor Agreement to address union and non-union construction labor. He stated the project has generated \$49 million to the Maryland Education Trust Fund and has awarded \$12 million in local impact grants. He added that the project employs 3,883 employees, and draws workforce and visitors from Maryland, Virginia and the District of Columbia.

The Commissioners engaged in discussion with Mr. Pappas inquiring on employee recruitment, the Labor Agreement, coordination with Gaylord National Resort & Convention Center, hotel vacancy and average casino attendance.

### **III. Review and Acceptance of March 1, 2017 Minutes**

Upon motion duly made and seconded, the minutes of the March 1, 2017 meeting were approved.

### **IV. Chairman's Update**

Chairman Basu provided an update on the State's 4.3% unemployment rate. While the rate is positive, he cautioned the need for a sense of urgency with respect to the State's \$700 million budget shortfall. He also warned of the significant impact the federal budget reduction will have on the State's responsibility for Medicare and pension payments.

### **V. Commerce Department Update**

Secretary Gill addressed the Commission and welcomed guests from the Department of Legislative Services. Secretary Gill provided an update on the upcoming Governor's Business Summit scheduled for May 18, 2017. He thanked a number of the Commissioners for participating as speakers and those attending. He then introduced Department team members.

#### **a. Tourism Film and the Arts**

Ms. Liz Fitzsimmons, Managing Director Tourism, Film and the Arts presented an overview of the mission of the Office of Tourism Development and cited growing statistics on the economic impact of tourism, the 10<sup>th</sup> largest private sector employer in Maryland. She added that tourism tax revenues have grown 4.7% from FY 2015 to FY 2016 – a rate higher than traditional sales tax and leading to a national ranking of #5 per capita for states. Ms. Fitzsimmons highlighted upcoming major events, reported on the Maryland Stadium Authority study on the Baltimore Convention Center and stated there is a new Acting Director of the Maryland State Arts Council.

#### **b. Marketing and Communications**

Ms. Allison Mayer, Managing Director, Marketing and Communications presented an update on the efforts of the Maryland Marketing Partnership (MMP). She reported HZDG, the advertising firm selected for creative services, is in final brand refinement stage and near approval. She stated that research on the opinions of business leaders is underway that will serve as a baseline for the campaign and assist in the media plan. She then noted partners to date and stated that more than \$2 million has been raised for the MMP activities. Ms. Mayer also informed the Commission of two (2) important upcoming business development activities – Governor's Business Summit and the Senior Players Championship Golf Tournament.

Discussion occurred with Commissioners on the Summit and the research underway.

### **c. International Investment and Trade**

Ms. Signe Pringle, Managing Director, International Investment and Trade gave an update on a number of Strategic Plan Initiatives since last reporting in December of 2016. She stated the initiatives have resulted in a soft landing program with the Netherlands, a global consulting project, a formal partnership with the United Kingdom and a project to identify the top 50 exportable defense products and services in the state. She highlighted the issuance of 30 Export Maryland Grants which resulted in \$25 million in export sales and noted participation in three (3) recent international trade shows. Ms. Pringle added that the Department had attracted six (6) new foreign owned businesses, held 12 prospect visits and 72 foreign direct investment engagements.

Discussion occurred among Commissioners regarding marketing and branding in China and India, and funding for trade shows.

### **d. Business and Industry Sector Development**

Mr. Steve Pennington, Managing Director, Business and Industry Sector Development presented recent wins, with particular emphasis on the manufacturing industry growth. Mr. Pennington noted there are several pending projects in banking and finance operations, cybersecurity and manufacturing, all with high salaries, on the horizon. He provided an update on the increase of new and retained jobs and pipeline since last fiscal year. He reported a 14% increase in business meetings and the interaction with 249 of the Platinum 500 businesses. He concluded by reporting on two (2) trade shows – RSA Cyber Conference and Bio 17; the additional of new teammate; and renewed engagement with site selection and real estate industry.

### **e. Legislative Update**

Ms. Emily Tocknell, Assistant Director, Policy provided an update on the Administration and Department legislative priorities. She stated that the Department had tracked 237 bills during the Legislative Session. Ms. Tocknell gave emphasis to the More Jobs for Marylanders Act of 2017 and reviewed specific bills as found in the comprehensive handout distributed to the Commissioners. She then provided an update on the FY 2018 Commerce Budget of \$123 million. She stated the Department overall is level funded and that it hoped that the Department will be more successful next year. She thanked Commissioners for participating at hearings, writing letters and outreaching to legislators.

Ms. Tocknell reviewed two (2) bills impacting business climate. One (1) related to paid sick leave and the other related to alcoholic beverages. She also reviewed bills altering Commerce Programs.

All presentations and handouts on file.

## **VI. MEDC Subcommittee Reports**

#### **a. Rankings and Research**

Mr. Ed Coleman, Chair, Rankings and Research Subcommittee reported that based on the discussion at the March MEDC meeting, revisions to the data and format of the Scorecard had been prepared. He presented the new Scorecard which highlights progress or stagnancy in factors or rankings in categories of jobs, taxes and regulations, quality of life, education and innovation, infrastructure, workforce and wages, and population.

Discussion occurred among the Commissioners on the preference of the new Scorecard and the importance of including additional indicators related to data for specific regions of low unemployment, population loss, and indicators and rankings to support the branding of the state. Commissioners also suggested adding more indicators to education and innovation, particularly patents. Mr. Coleman suggested a meeting of the Subcommittee be held this summer to address the suggestions and review data.

### **VII. Strategic Plan Progress Report**

Deputy Secretary and COO Ben Wu thanked the Commissioners for their invaluable advice in the Strategic Plan process which began in 2015 and has been led by Commissioner Jim Brady. He stated that the Strategic Plan has shaped all Commerce initiatives, served as the guiding principles for the Department and is a constant reference for teammates.

Deputy Secretary Wu presented the 2017 Progress Report and Scorecard which reflect the progress to date of the Strategic Plan goals, strategies and highlights of specific programs, activities and legislative actions. He referenced the Scorecard and the first time the Department has graded itself. He stated that while Commerce has made progress in many goals, even excelling in some, that there is still more work to accomplish.

### **VIII. Featured Commissioners**

Commissioners Kai Hirabayashi and Jeanette Glose Partlow presented their backgrounds.

### **IX. Future Meeting Dates – 2017**

Chairman Basu announced the next meetings will be August 1<sup>st</sup>, and November 7<sup>th</sup>. (Dates were subsequently moved to October 19<sup>th</sup> and December 13<sup>th</sup>.)

### **X. Adjournment**

There being no further business and upon motion duly made and seconded, the meeting was adjourned at 2:30pm.

Commissioners were invited to tour the MGM National Harbor property.