



September 17, 2019
Governor's Reception Room
100 State Circle, Annapolis
12:00pm – 2:00pm
Minutes

Commissioners in attendance:

Anirban Basu	MEDC Chair, Sage Policy Group
Scott Burger	Lolli & Pops (call in) (corrected 3/9/20)
Ed Coleman	Ciox Health
Annemarie Dickerson	Francis Scott Key Family Resort
Kai Hirabayshi	Caterpillar, Inc.
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
Elizabeth Rendón-Sherman	LG-TEK (call in)
Susan Schwab	Mayer Brown LLP
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
Robert Brennan	Maryland Economic Development Corporation (MEDCO)
Stephen Auvil	Maryland Technology Development Corporation (TEDCO)

Guests:

Allison Mayer	Office of the Governor
Meredith Wimbrow	Office of the Governor
Alex Choi	Office of the Governor
Ricky Smith	Maryland Aviation Administration (MAA)
Jim White	Maryland Port Administration (MPA)
Josh Kurtz	Maryland Matters
Sally Guy	Johns Hopkins University
Jody Sprinkle	TEDCO
Jillian Ball	MPA
Richard Scher	MPA
Erica Schissler	Department of Legislative Services
Elizabeth Allison	Department of Legislative Services

Rachel Clark
Michael Harrison
Grason Wiggins

Evans and Associates
Department of Labor
Department of Labor

Commerce Staff:

Ben Wu
Julie Woepke
Andy Fish
Rhonda Ray
Nancy McCrea

Deputy Secretary/Chief Operating Officer (COO)
MEDC Executive Director
Senior Director, Finance Programs
Managing Director, Policy, Research and Government Affairs
Director of Research

I. Call to Order

Chairman Basu called the meeting to order, welcomed attendees and guests. He announced two (2) new Ex-Officio Commissioners although not in attendance: Secretary Tiffany Robinson, Maryland Department of Labor and Delegate Brian Crosby, District 29B, St. Mary's County.

II. Chairman's Updates

Chairman Basu briefed the Commissioners on the State's economic performance. He commented that after 11 years since the national recession, the State's latest year over year job growth continues to be stagnant. States seeing the largest growth during this period include Minnesota and Louisiana. He disclosed that his company, Sage Policy Group, is conducting a study in Oxford, Maryland and engaging focus groups to gain better understanding of the economic disparity in the State.

III. Review and Acceptance of the June 13, 2019 Meeting Minutes

Upon motion duly made and seconded, the minutes of the June 13, 2019 meeting were approved.

IV. Commerce Secretary Update

Commerce Secretary Kelly Schulz updated the Commission on the recently held County Tours, which serve to identify opportunities to assist in business expansion and job growth. She updated the Commission on the current personnel total within the Department highlighting the 11 positions filled since July 1, 2019 and the pending three (3) hires. Secretary Schulz proceeded to update the Commission on the Commerce Subcabinet and its newly formed Regional Resources Workgroup. This Workgroup presents a collaboration of 10 State Agencies within five (5) regions working together to serve the business related community in a faster, easier and more accessible manner. She emphasized the engagement of the State Fire Marshal and the Maryland Department of Health with the Workgroups. She also noted the Customer Service Workgroup and the overall Department customer satisfaction rating of 90%.

Secretary Schulz reminded the Commission of the sold out Governor's Business Summit to be held on September 20, 2019 with 500 registrants. The focus will be on workforce. The Maryland Marketing Partnership (MMP), lead sponsor of the event, continues to seek innovative ways to promote the State. She added that the MMP, in an effort to encourage involvement of smaller businesses, has added a new lower membership level of \$15,000 divided by five (5) years to encourage smaller innovative business participation. She concluded by highlighting the Governor's upcoming 10 day Australian Trade Mission

representing of the State and the National Governor's Association (NGA). She reported that she will be participating in the Mission.

Secretary Schulz introduced Andy Fish, Senior Director, Finance Programs of the Office of Business Development and Strategic Industries to review the Department's latest Business Development activity. Mr. Fish noted the strongest activity remains in Central Maryland, with the highest distribution of industries being 26% life sciences, 21% research and development and 17% information technology. He continued by highlighting recent wins, wins pending announcement and select new opportunities. (Presentation on file.)

V. Maryland Port Administration (MPA) Update

Jim White, Executive Director, MPA addressed the Commission and presented the State of the Port. Mr. White provided a recently released video highlighting the importance and economic impact of the Port to the State. He stated 139,180 jobs are generated from the Port contributing \$3.3B in personal income, \$395M in state and local tax revenues and \$2.6B in business revenues to the state on an annual basis. He described imports and exports, cargo flow and tonnage, container volume, cruise activity, cargo statistics and national rankings, and the channel system. Mr. White described the immediate challenge to the Port is the Howard Street Tunnel expansion. He then answered questions from Commissioners. (Presentation on file.)

VI. Baltimore Washington International (BWI) Thurgood Marshall Airport Update

Ricky Smith, Executive Director, Maryland Aviation Administration addressed the Commission and provided an update on the BWI Thurgood Marshall Airport. He stated the airport supports 106,488 jobs producing \$4.1B in wages. It is responsible for \$9.3B in business revenue to the State, and produces an estimated \$591.9M in State and local tax revenue. Mr. Smith highlighted the airlines operating out of the airport, the record 27.1M passengers who traveled through the airport in 2018, and non-stop service to over 90 domestic and international destinations. He continued by highlighting key financial indicators, recent midfield cargo area improvements, new airport maintenance facility and baggage handling systems improvements. He gave emphasis on a new Gates C/D Connector, ticket counters, Air Traffic Control Tower and Operations Center, and new hotel and office space. Additionally, Mr. Smith stated that there is a solicitation for a developer of a new airport convenience center and gasoline station on a vacant parcel that will generate a revenue stream. He described other future developments, the focus of attracting more international travel, and marketing to the District of Columbia market.

Mr. White engaged in discussion with Commissioners. He expressed concern on the adequacy of surface transportation with the growth of the airport, similar to comments made by Mr. White of MPA. Chairman Basu suggested that the Commission invite Secretary Pete Rahn of the Maryland Department of Transportation or his designee to present at the next Commission meeting. (Presentation on file.)

VII. Maryland Technology Development Corporation (TEDCO) Update

Stephen Auvil, Executive Vice President, Operations and Programs, TEDCO, provided an update on the recent activity of the organization since the new fiscal year and the enactment of Senate Bill 340/House Bill 543 which requires new reporting and auditing requirements. He described new staff and Board Members, the ramping up of new investments, and the continuum of programs and portfolio management. Mr. Auvil highlighted investments in the last quarter totaling \$1.54M. He continued by stating the top priorities of the past three (3) months and into the near future. He concluded by emphasizing the upcoming Entrepreneur Expo scheduled for October 29, 2019. (Presentation and handout on file.)

VIII. MEDC Subcommittees Discussion

a. Scorecard

Subcommittee Chair Ed Coleman reviewed the updated Scorecard noting the net private job growth has not improved. He discussed the potential to research business migration and rationale. It was also discussed whether the State will be reviewing the impact of Amazon HQ2 on leasing in Maryland. (Scorecard on file.)

b. Strategic Plan

Subcommittee Co-Chairs, Aris Melissaratos and Laura Neuman presented the progress to date as found in the handout. They reported that the Subcommittee met with Commerce Team Members on July 10, 2019, for a full day of presentations and held a follow up conference call for Subcommittee input. As found in the handout, the Subcommittee reported that common themes expressed in the meeting and conference call was the need to improve communications of the State assets and programs and more aggressively taking advantage of and expanding technology transfer from Federal Labs and Universities. The Subcommittee further emphasized the importance of policy and program evaluation of taxes and tax incentives; the regional approach to advance communities and individuals and make outer regions feel more a part of the State; improving the pipeline between Commerce and TEDCO, and growing targeted industries. They noted leadership within the Department is working well but communications needs to improve. As the Subcommittee reviews the Secretary's County Tours Summaries with these findings, a draft Plan will be developed.

Good of the Order

No addition information was shared among the Commissioners.

IX. 2019 Meetings: December 9th

X. Adjournment

There being no further business and upon motion duly made and seconded, the meeting was adjourned at 2:00pm.