



Larry Hogan | Governor
Boyd Rutherford | Lt. Governor
R. Michael Gill | Secretary of Commerce
Benjamin H. Wu | Deputy Secretary of Commerce

December 21, 2017

The Honorable Thomas V. Mike Miller, Jr.
President, Maryland Senate
State House, H-107
Annapolis, Maryland 21401-1991

The Honorable Michael E. Busch
Speaker, Maryland House of Delegates
State House, H-101
Annapolis, Maryland 21401-1991

RE: Maryland Economic Development Commission Annual Report

Dear President Miller and Speaker Busch:

In accordance with Economic Development Article Section 2.5-207(a), the Maryland Economic Development Commission is pleased to submit its 2017 Annual Report to the General Assembly. This report includes a review of the activities undertaken by the Commission.

We look forward to your review of the report and will be pleased to provide any additional information regarding the Maryland Economic Development Commission. If we can be of further assistance, or if you have any questions regarding this report, please contact Julie Woepke, Executive Director, Maryland Economic Development Commission at 443-324-0861.

Sincerely,

R. Michael Gill
Secretary, Department of Commerce

Anirban Basu
Chairman, MEDC

Enclosure



Larry Hogan | Governor
Boyd Rutherford | Lt. Governor
R. Michael Gill | Secretary of Commerce
Benjamin H. Wu | Deputy Secretary of Commerce

MEMORANDUM

TO: The Honorable Larry Hogan
Governor

THRU: Sean Powell
Deputy Chief of Staff, Governor's Office

FROM: Anirban Basu
Chairman, MEDC

R. Michael Gill
Secretary

DATE: December 21, 2017

SUBJECT: **Maryland Economic Development Commission Annual Report**

In accordance with Economic Development Article Section 2.5-207(a), the Maryland Economic Development Commission is pleased to submit its 2017 Annual Report to the General Assembly. This report includes a review of the activities undertaken by the Commission.

We look forward to your review of the report and will be pleased to provide any additional information regarding the Maryland Economic Development Commission. If we can be of further assistance, or if you have any questions regarding this report, please contact Julie Woepke, Executive Director, Maryland Economic Development Commission at 443-324-0861.

Attachment

**2017 ANNUAL REPORT
OF THE**



As required by Economic Development Article §2.5-207

Respectfully submitted to the General Assembly of Maryland by

Anirban Basu, Chairman

Julie Woepke, Executive Director

Secretary R. Michael Gill, Commerce

401 East Pratt Street

Baltimore, MD 21202

December 2017



Larry Hogan, Governor | Boyd Rutherford, Lt. Governor

OPEN *for* Business



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MEDC Background

The Maryland Economic Development Commission (MEDC) was established in 1995 by Mr. James T. Brady, then Secretary of the Department of Business and Economic Development (DBED). 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 that the legislation became effective. The legislation also reformed the 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. (see Section 2.5-202)

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, Licensing and Regulation (DLLR), 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.)

The MEDC is chaired by Mr. Anirban Basu, Chairman and Chief Executive Officer of Sage Policy Group, Inc., an economic and policy consulting firm in Baltimore, Maryland. Mr. Basu is a nationally recognized economist, recently focusing on health economics, the economics of education and economic development. The Department of Commerce is led by Secretary R. Michael Gill, who is charged with directing the implementation of strategies that foster economic growth and increase Maryland's competitiveness.

Two (2) informal Subcommittees were active during 2017. The Strategic Plan Subcommittee, chaired by Mr. James T. Brady, met to review and discuss the 2017 Legislative Session outcomes in relation to the Commission's 2016 Strategic Plan recommendations. The Rankings and Research Subcommittee, chaired by Mr. Ed Coleman met on several occasions to discuss the tracking of relevant rankings as indicators of the State's competitiveness, and business attraction

and retention. This Subcommittee revised a Scorecard of indicators which was updated and discussed at each Commission meeting. (See Appendix B for latest 2017 Scorecard.)

Strategic Plan

The MEDC is directed to develop and update an economic development Strategic Plan to drive the Department of Commerce's legislative agenda, programs, staffing and budget priorities. At the March 1, 2017 meeting, the Department of Commerce presented to the MEDC a Progress Report of the 2016 Strategic Plan which included for the first time a Department evaluated Report Card. (See Appendix C).

The Commission found the Progress Report useful to evaluate the effectiveness of the 2016 Strategic Plan and identify further recommendations to the Department. The Progress Report was accepted by the Commission at its May 8, 2017 meeting. The Strategic Plan continues guide the operations, industry sectors and marketing focus for the six (6) Strategic Plan Goals. The goals are as follows:

Goal 1 – Achieve Operational Excellence through the adoption of customer service standards, training, orientations, and performance reviews.

Goal 2 – Foster a Competitive Business Environment by assessing the impacts of taxes and the effectiveness of financing programs and tax credits.

Goal 3 - Advance Innovation and Entrepreneurship by tapping into education and innovation communities through workforce development initiatives and embracing a culture of commercialization.

Goal 4 - Expand Targeted Industry Clusters by means of collaboration, ambassador programs, workforce development initiatives, partnerships, and industry advisory boards.

Goal 5 - Create One Maryland and Enhance Community Development by increasing touchpoints by Commerce staff in the local jurisdictions and engaging underserved populations and businesses of all sizes.

Goal 6 - Improve Brand and Talent Attraction by leveraging the Maryland Public Private Partnership (P3) Marketing Corporation and the State's major economic drivers and regional organizations.

At each of the 2017 meetings, the MEDC interacted with Commerce Secretary Gill and staff on the status of each of the goals and offered guidance and recommendations. The Goals serve as the Department's performance measures to be evaluated by the Governor's Office of Performance Improvement.

2017 Meetings

The Commission held meetings on March 1, May 9, October 19, and December 13, 2017. The meetings were held at several locations. The March meeting was held at the Community Room of 10 Light Street in Baltimore which highlighted a major redevelopment project in the City. The May meeting was held at the MGM National Harbor highlighting the economic impact of this major new project in Prince George's County. The October meeting was held at University of Maryland, Baltimore County highlighting the importance of higher education and also venture capital investment. The December meeting was held at the Hotel at College Park focusing on innovation in higher education and the redevelopment of Greater College Park area. (Meeting Minutes are found in Appendices D-G.)

2018 Meetings

Meetings for 2018 have been scheduled for March 2nd, May 31st, September 5th, and December 6th. Locations will be posted on the Department of Commerce website.

Closing Statement

The MEDC adopted the following Vision:

“Our mission is to create an economic development culture in Maryland that will maximize our great assets and create quality jobs. We will Retain, Grow and Attract companies through outstanding customer service while creating the highest level of prosperity for all Marylanders. We will be one of the best states in America to live, work and play.”

Through Annual Progress Reports, monitoring updates to the Scorecard of economic indicators, 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 in the state.

APPENDIX A

MEDC VOTING AND NON-VOTING MEMBERS

Anirban Basu, Chairman; Chief Executive Officer, Sage Policy Group
Martin Brunk, CPA, Vice-Chair; Office Managing Partner, RSM US, LLP
Kenneth R. Banks; President, Chief Executive Officer and Founder, Banks Contracting Company, Inc.
Howard B. Bowen; Chief Executive Officer, Ewing Oil Company
James T. Brady; Board Member of Dunbar Armored, Inc., and former Secretary of Maryland Department of Commerce
Raymond J. Briscuso, Jr.; Executive, MedTech Conference Partners
Ed Coleman; Chief Executive Officer, CIOX Health
Annemarie Dickerson; Owner, Francis Scott Key Family Resort
Edward M. Dunn; Chief Executive Officer, American Mechanical Services
Joshua Greene; Vice President, A.O. Smith Corporation
Kai Hirabayashi, Senior Government Affairs Representative, Caterpillar, Inc.
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; Dean, Brown School of Business and Leadership, Stevenson University, and former Secretary of Maryland Department of Commerce
Michael Miller, President, OGOS Energy, LLC
Laura Neuman, Change Agent
Jeanette Glose Partlow, President, Maryland Chemical Company
Elizabeth Rendón-Sherman; Chief Executive Officer/Chief Financial Officer, LG-TEK
Brian C. Rogers; Chairman, T. Rowe Price Group
Susan Schwab; Strategic Advisor, Mayer Brown, LLP
Brenda A. Smith; Executive Director, The Greater Cumberland Committee
Robert L. Wallace; President and Chief Executive Officer, BITHGROUP Technologies
Julian B. Wills, Jr.; Chairman, President and CEO, The Wills Group, Inc.
Margaret Wood, Ph.D., WOOD consulting Services, Inc.

Non-voting ex-officio Members

R. Michael Gill, Sr.; Secretary of Commerce
Benjamin F. Kramer; House of Delegates, District 19, Montgomery County
Brian J. Feldman; Senate, District 15, Montgomery County
Kelly Schulz; Secretary of Department of Labor Licensing & Regulation (DLLR)
Robert Brennan; Executive Director of Maryland Economic Development Corporation (MEDCO)
George Davis; CEO, Maryland Technology Development Corporation (TEDCO)

Commerce Support:

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

APPENDIX B – Scorecard, December 2017

Maryland Economic Development Commission

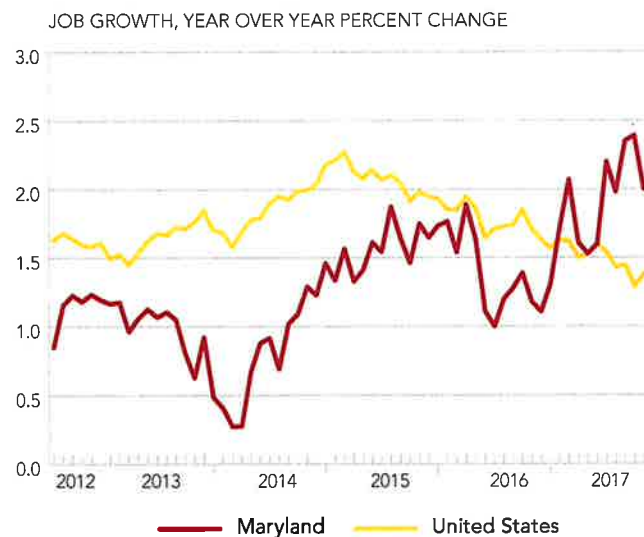
SCORECARD

December, 2017

SNAPSHOT

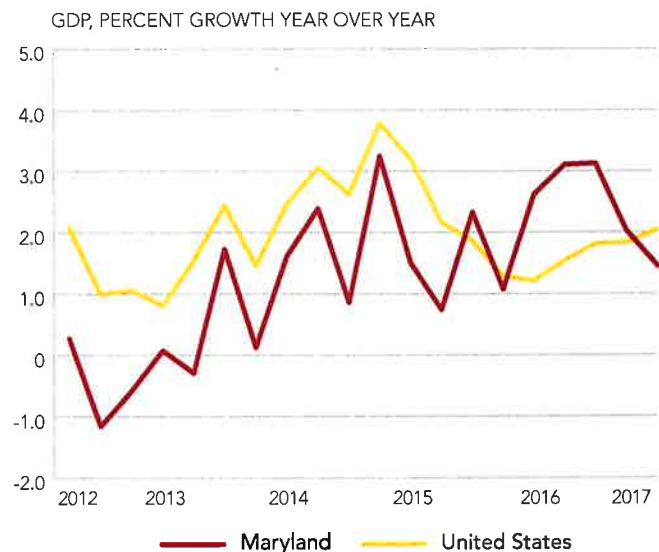
Job Growth

Oct-17 MD jobs growth 2.0%. Rank **#9**



GDP

2017 Q2 MD GDP \$393.2 billion. Growth rate 1.5% over 2016 Q2. Rank: **#32**



Business Climate Rankings

Why? Important for tracking perceptions about Maryland from external constituencies

How to Measure? National rankings and publications

- **#14** Best States for Business: 24/7 Wall St 2017
Up from #18 in 2016
- **#25** Top States for Business: CNBC 2017
Up from #30 in 2016
- **#26** Forbes Best States for Business 2017
Up from #31 in 2016
- **#41** Chief Executive Best & Worst States 2017
#43 in 2016

Taxes & Regulations

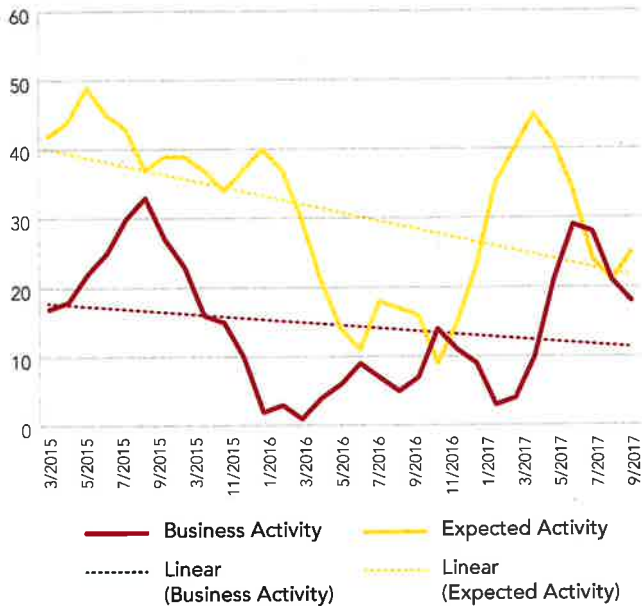
Why? Major factor in business and household location decisions

How to Measure? Tax Burden comparisons and rankings

- **#43** State Business Tax Climate: Tax Foundation 2018
#41 in 2017
- **#39** Entrepreneur-friendly States: Small Business Policy Index 2017
#40 in 2016
- 15th Highest state and local tax collections as a percentage of personal income at 10.9%, below the U.S. median of 10.3%
- 10th Highest state and local taxes per capita at \$5,847, above the U.S. average of \$4,883

■ Positives ■ No Progress

MARYLAND BUSINESS CONDITIONS INDEX
3-month moving average



Quality of Life

Why? Major factor in business and household location decisions

How to Measure? Housing costs, health care, traffic congestion, cost of living, crime

- **#6** "Best States to Live In" 24/7 Wall St (income, poverty, life expectancy and education)
- **#8** Best States: US News (7 Key areas – education, health care, infrastructure, economy, government, opportunity, and crime)
- **3rd Lowest** poverty rate for 2016, with 9.7% of the population living in poverty, compared with 14.0% for the U.S.
- **#10** State Energy Efficiency Scorecard
- **#4** Access to broadband
- **#26** Quality of life rank: Forbes Best States (poverty, crime, health)
- MD Median home sales price is 16% higher than U.S.
- Traffic congestion (INRIX Traffic Scorecard)
 - Baltimore #33 out of 240 U.S. cities
 - Frederick #93
 - Hagerstown #156
 - Cumberland #229

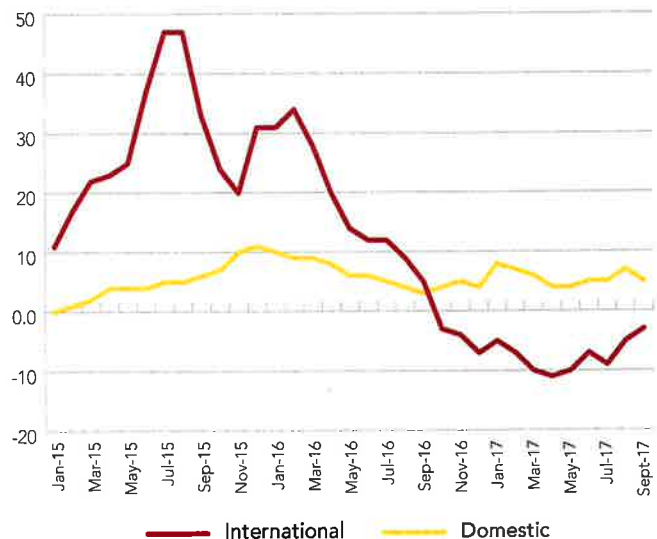
Infrastructure

Why? Investment to support job growth, enhance quality of life

How to Measure? Access, roads, transit, utilities

- **#14** Infrastructure: US News Best States (roads, transit usage, energy, internet access)
- **#3** Infrastructure upgrades and #5 broadband Leadership: Business Facilities
- The number of state-maintained bridges in Maryland rated structurally deficient has been reduced from 97 in 2012 to 69 in 2015
- **25M** total BWI passengers in 2016
Up 5.5% from 2015
- Port of Baltimore is 4th fastest growing port in North America
- **#44** Infrastructure rank: CNBC Top States (airports and freight, road quality, commute times)
- **#39** Electricity price—Average Price of Electricity per Kilowatt hour, Jan-17
- **#49** Commute time—Average travel time to work 32.8 minutes

BWI PASSENGERS (year-over-year % change)



■ Positives

■ No Progress

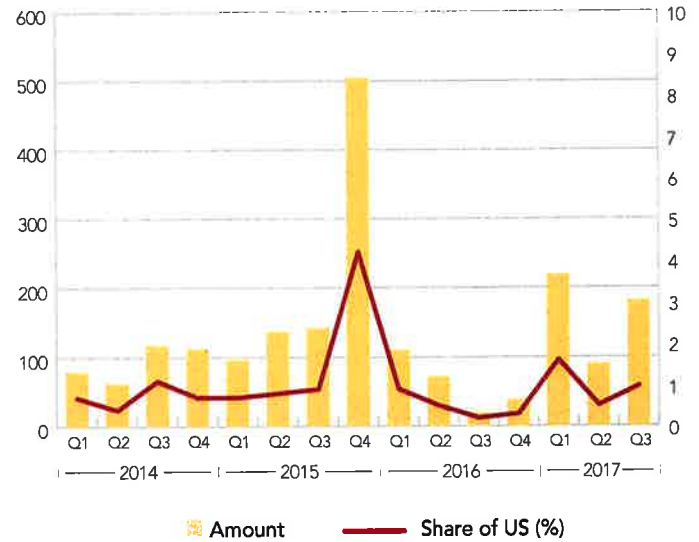
Education & Innovation

Why? Important basis of future growth potential; supports emerging high-growth industries

How to Measure? R&D activity, venture capital, business startups, educational attainment, workforce skills

- **#1** STEM jobs (9.2%)
- **#10** Public school expenditures per pupil (\$14,217)
- **#3** Bachelor's degree attainment; #2 graduate degree attainment
- **#5** Schools: Education Week, Quality Counts 2017
- **#4** Small Business Innovation Awards 2016 (\$94.9M)
- **#6** Life Science cluster
- **#6** State New Economy Index 2017—down from #5 in 2014
- **#16** Venture Capital investment: \$300 M in 2016
- **#9 in 2015**

VENTURE CAPITAL INVESTMENT IN MARYLAND (in millions)



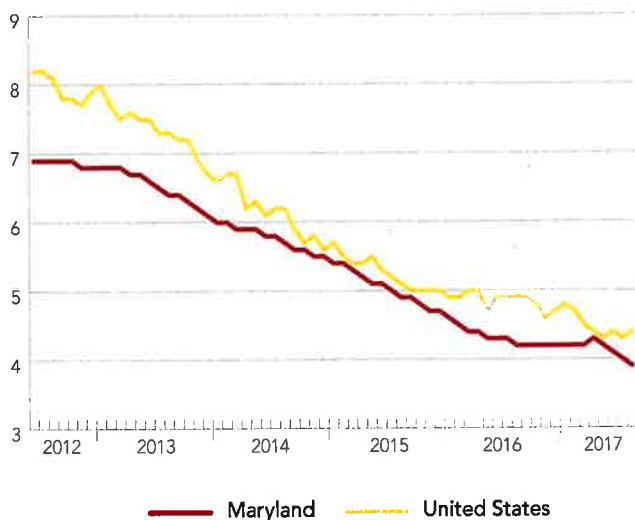
Workforce & Wages

Why? Indicator of workforce availability and skills, factor in cost of doing business and quality of life

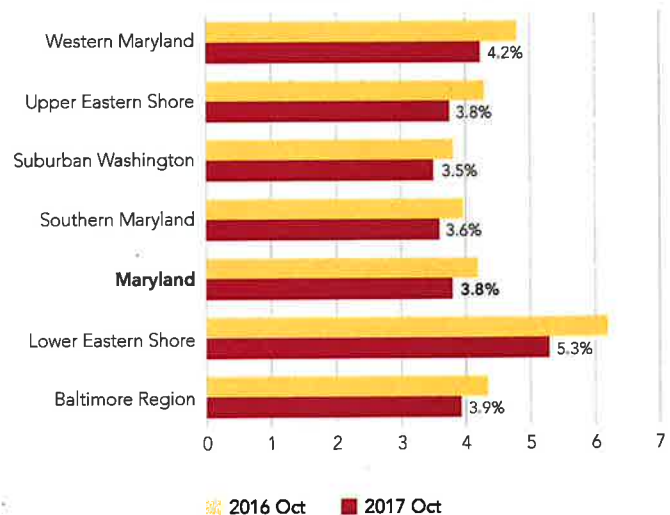
How to Measure? Job growth, wage growth, labor force measures

- **#22** Unemployment 3.8% Oct-17
- **#25 in Dec-14 (5.5%)**
- **#8** Labor force participation rate (68.4%)
- **#14 in Dec-14 (66.8%)**
- **#9** Job growth Oct-16 to Oct-17 (2.0%)
- **#32 in Dec-14 (1.5%)**
- **#12** Private sector jobs growth Oct-16 to Oct-17 (2.1%)
- **#31 in Dec-14 (1.8%)**
- **#28** Private sector average wage growth (2.7%)
- **#35 in Dec-14 (3.4%)**
- **#24** Manufacturing jobs Oct-16 to Oct-17 (0.5%)

UNEMPLOYMENT RATE (%)



UNEMPLOYMENT BY REGION (%)



■ Positives ■ No Progress

Population

Why? Necessary for vibrant economy; indicator of attractive quality of life

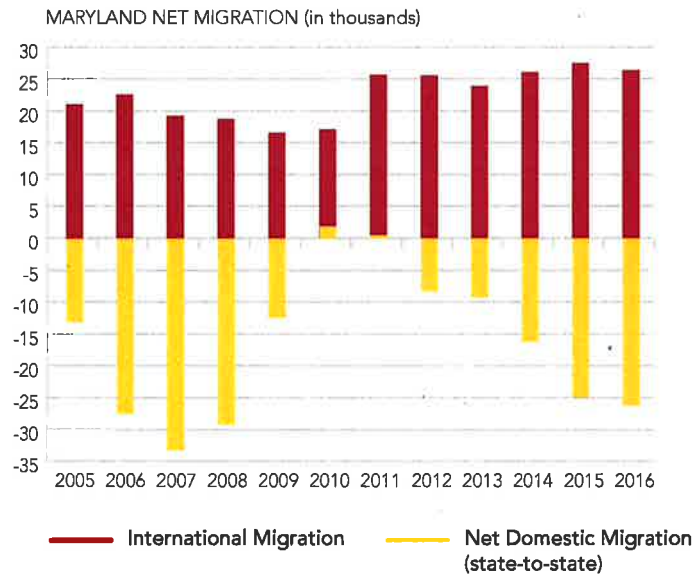
How to Measure? Population growth by region; domestic migration

■ Growing millennial population – Baltimore and Washington top 5 increase in young college graduates (Pew Stateline)

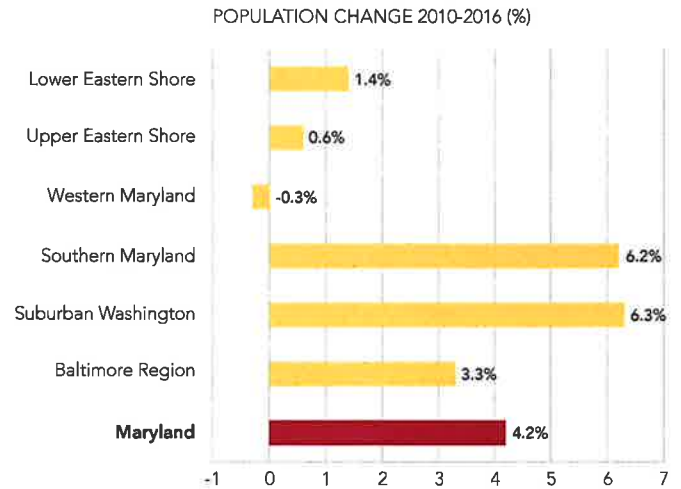
■ Western Maryland population increased by 300 in 2016—first increase since 2011

■ #25 Population growth 2015 to 2016 (0.36%)

■ #43 Rate of net out-migration 2015



Source: U.S. Census Bureau, MDP

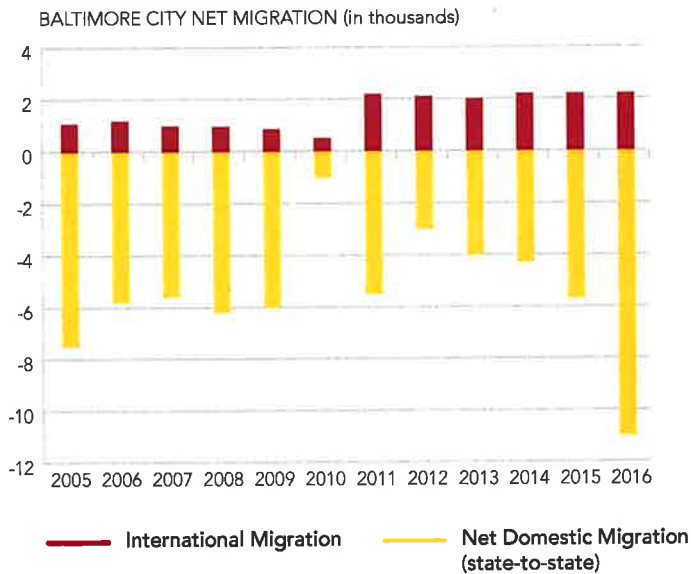


■ Positives

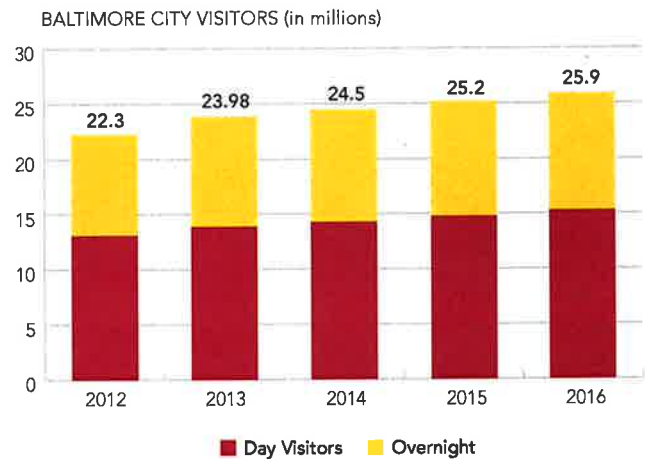
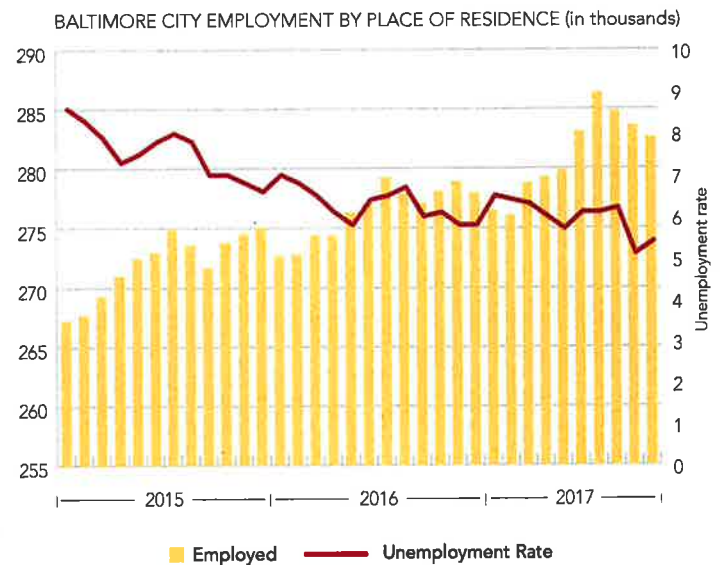
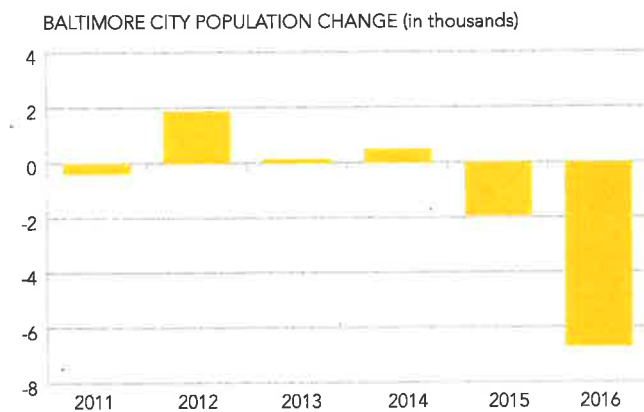
■ No Progress

Baltimore Indicators

Baltimore-Columbia-Towson metro GDP \$187.4 billion in 2016
Growth rate 2.4% over 2015



Source: U.S. Census Bureau, MDP



APPENDIX C – Strategic Plan: Best is the Standard 2017 Progress Report

See: <http://commerce.maryland.gov/Documents/ProgramReport/MEDC-strategic-plan-progress-report-and-scorecard-2017.pdf>

APPENDIX D

**Wednesday, March 1, 2017
10 Light Street, 22nd Floor Community Room, Baltimore
12:00pm – 2:00pm
Minutes**

Commissioners in attendance:

Anirban Basu	MEDC Chairman, Sage Policy Group
Marty Brunk	MEDC Vice-Chair, RSM
Ken Banks	Banks Contracting Company, Inc.
Jim Brady	Dunbar Armored
Ed Coleman	CIOX Health
Annemarie Dickerson	Francis Scott Key Family Resort
Julie Lenzer	UM Ventures
Laura Neuman	Former Anne Arundel County Executive
Elizabeth Rendón-Sherman (call)	LG-TEK
A. Nayab Siddiqui	Scientific Systems & Software International, Inc.
Brenda Smith (call)	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)
Secretary R. Michael Gill	Department of Commerce
Secretary Kelly Schulz (call)	Department of Labor, Licensing and Regulation (DLLR)
John Wasilisin	Maryland Technology Development Corporation (TEDCO)

Guests:

Catherine Pugh	Mayor, City of Baltimore
Colin Tarbert	Deputy Mayor, City of Baltimore
Jim Smith	Chief of Strategic Alliances, City of Baltimore
	City of Baltimore
Mark Dennis	Office of the Mayor, City of Baltimore
Cary Euwer	Metropolitan Partnership, Ltd.
Bill Cole	President, Baltimore Development Corporation
Kimberly Clark	Executive Vice President, Baltimore Development Corporation
	Greater Baltimore Committee
Aaron Moore	DLLR
Linda Gilmore	

Commerce Staff:

Ben Wu	Deputy Secretary/Chief Operating Officer (COO)
Brady Walker	Special Assistant to the Secretary
Julie Woepke	MEDC Executive Director
Greg Derwart	Managing Director, Administration and Customer Experience
Sherri Diehl	Marketing Director, Marketing and Communications
Jayson Knott	Senior Director, Business and Industry Sector Development
Nancy McCrea	Director of Research, Policy, Research and Government Affairs
Chelsie Caizzi	Executive Associate, Office of the Secretary

Agenda**I. Call to Order**

Chairman Basu called the meeting to order, welcomed attendees and guests and thanked Cary Euwer, CEO of Metropolitan Partnership, Ltd. for hosting the meeting. Mr. Euwer gave a brief description of the transformation of the building to apartments and its amenities that has attracted a young population into the Central Business District.

II. Review and Acceptance of December 2, 2016 Minutes

Upon motion duly made and seconded, the minutes of the December 2, 2016 meeting were approved.

III. City of Baltimore Economic Development Priorities

Mayor Catherine Pugh thanked the Commission for holding the meeting in the City and acknowledged the partnership and support with the State and Secretary Gill. After presenting her background, Mayor Pugh described the challenge of preparing and finding employment for 76,000 unemployed residents through various programs including the deployment of mobile units to access information, complete applications, training and job preparation. She explained major focuses of her administration will be addressing homelessness; youth internships and the engagement of industry to give students on-the-job experiences; transportation solutions; substance abuse, particularly heroin; growing tax incentives to attract industry and investments; public safety; and investment into Pimlico Race Course.

Mayor Pugh took questions from the Commission and discussed minimum wage; training for developmentally disabled; rebranding of the city; placing citizens on trial boards and public safety education. She welcomed Commissioners to become involved in the transformation of Baltimore.

IV. Baltimore Development Corporation (BDC) Project Updates

Mr. Bill Cole, President of BDC gave a brief overview of the organization and its relationship to the City highlighting the key economic drivers. He stated the key industry sectors in the City are financial and professional services, health and bioscience technology, arts, culture and tourism, information and creative services, logistics and advanced manufacturing.

Mr. Cole provided updates on three (3) major projects, several projects under construction and several in the pipeline. He then described several catalysts for economic activity that included the Enterprise Zone Program, Central West Baltimore Focus Area, and the Food Desert Incentive Area Personal Property Tax Credit. Mr. Cole discussed several challenges related to transportation, transit and employment hubs and the need for ongoing partnership with the State for improvements to transit routes and service.

Discussion occurred with the Commissioners on the importance of promoting arts and culture in the City to spur economic activity; the need to provide small and minority businesses opportunities to contract on large development projects and with employers; progress on improvements to the Howard Street tunnel and five (5) other bridges; and increase of activity due in part to energy from the new Mayor. (Presentation on file.)

V. Commerce Department Update

Secretary Mike Gill addressed the Commission and expressed his appreciation for all that have participated in the legislative process. He stated the Strategic Plan Progress Report reflects that while the State is experiencing increases in job numbers, businesses and investment, there are legislative actions needed to continue the momentum and remain competitive. He explained that the Department, in reflecting on its progress since the Strategic Plan was adopted by the Commission in February, 2016, developed its first scorecard on the Department as a whole which will be discussed in more detail by Deputy Secretary Ben Wu. He concluded by sharing the February 28, 2017 press release from U.S. News and World Report on its inaugural "Best States" ranking that placed Maryland #8 of the best states to live in. (Secretary Gill departed the meeting to testify on Departmental legislation before a House Committee.)

a. Maryland Marketing Partnership (MMP) Update

Ms. Sherri Diehl, Director of Marketing provided an update on the activity of the MMP. She explained that the Partnership is in the final stages of a brand and campaign selection. Once approved by the Governor and MMP, the campaign will be rolled out sometime this spring. She reported that a firm had been hired to establish a baseline of Maryland's business perception which will be used to evaluate the effectiveness of the campaign. Ms. Diehl reported that the MMP had contracted with a development professional, secured \$1.6 million from corporations and growing. She then highlighted the upcoming Governor's Business Summit scheduled for May 18, 2017 with a theme of Transforming Corporate Culture.

Discussion occurred with Commissioners on the purpose of the Summit, anticipated outcomes, expected audience, and inclusion of employees, (not just employers) in the perception baseline collection.

b. Business Development

Mr. Jayson Knott, Senior Director, Business Development presented recent wins since the Commission's December meeting which included the Amazon distribution center in Cecil County; HMS Host headquarters retention; NAMMO manufacturing and research and development in Charles County; EVAPCO manufacturing expansion in Carroll County; and cited 23 additional companies who added between 25-100 new jobs statewide. He referenced a pending banking and finance operations center.

Deputy Secretary Ben Wu provided an update on the Federal Bureau of Investigation (FBI) headquarters relocation. He stated the Department remains in close contact with the General Services Administration (GSA), and continues coordination with State Agencies, Prince George's County, property owners and developers. He stated that GSA is due to present a location recommendation in mid-March.

Mr. Knott provided an update on the Tradepoint Atlantic Project in Baltimore County and highlights from the recent RSA Cyber Conference which engaged Commerce's Offices of Business Development, International, Regional Development and Communications. He stated the RSA conference has led to four (4) companies scheduling tours of Maryland for a location. He concluded by presenting the increase in new and retained jobs over same period last year; pipeline of new and retained jobs; business meetings to date; and the progress of the Platinum 500 Program.

Discussion occurred with Commissioners on the involvement of Regional Representatives with local County Economic Developers when meeting with companies and the selection of the Platinum 500 companies.

c. Customer Service

Mr. Greg Derwart, Managing Director, Administration and Customer Experience presented the progress of the Governor's Initiative to provide excellent customer service throughout State Agencies. He stated several measurements have been implemented including an online survey and additional forms such as phone, text and mystery shoppers are being considered. Online training is now available and a Request For Proposal (RFP) will be released soliciting customer service training consultants. (RFP was released later that day.) He added that an online portal has been developed to share information and best practices among statewide customer service liaisons who also will meet bi-annually.

d. Legislative Update

Brady Walker, Special Assistant, Office of the Secretary, provided the status of several legislative initiatives including the Department's operating budget, finance programs, tax credits,

and tourism and arts budget. He reviewed Governor Hogan's bills: More Jobs for Maryland Act and the Cyber Tax Credit which support job growth and investment. Mr. Walker then reviewed Commerce Bills which reflect recommendations from the Commission's Strategic Plan. (Presentations on file.)

VI. MEDC Subcommittee Reports

Mr. Ed Coleman, Chair, Rankings and Research Subcommittee reported that the Subcommittee met in January to review the scorecard and discuss categories most important to track progress. The Subcommittee concluded that the categories and associated rankings and ratings to track are: workforce – jobs and wages; education and innovation; quality of life, infrastructure, taxes and regulations. He added that the Commission should also be tracking the number of private sector jobs vs public sector jobs and lowering the unemployment rate in rural areas and Baltimore City. Mr. Coleman stated a revised scorecard is being developed with Commerce staff and will be presented at the next meeting.

VII. Strategic Plan Progress Report

Deputy Secretary and COO Ben Wu presented the draft Progress Report of the Strategic Plan. Since its adoption by the Commission in February of 2016, the Department has aggressively implemented the plan as a roadmap impacting organizational structure, legislative agenda, programmatic initiatives, budget priorities and personnel. Mr. Wu referenced the first Departmental evaluation of its progress in the form of a scorecard. While the Department has made progress in many areas, he stated that two (2) targeted industries – energy and environment and professional and financial services initiatives are in the early stages. Mr. Wu requested the Commission to review the draft Report and scorecard and provide input before it is finalized.

VIII. Featured Commissioners

Commissioner Julie Lenzer presented her background.

IX. Future Meeting Dates – 2017

Chairman Basu announced the next meetings will be held May 9th, August 1st, and November 7th.

X. Adjournment

There being no further business and upon motion duly made and seconded, the meeting was adjourned at 2:20pm.

APPENDIX E

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

Commissioners 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	Department of Legislative Services
Jennifer Khovananth	U.S. Drug Enforcement Agency

Commerce Staff:

Ben Wu	Deputy Secretary/Chief Operating Officer (COO)
Brady Walker	Special Assistant to the Secretary
Julie Woepke	MEDC Executive Director
Steve Pennington	Managing Director, Business and Industry Sector Development
Liz Fitzsimmons	Managing Director, Tourism, Film and the Arts
Single Pringle	Managing Director, International Investment and Trade
Greg Derwart	Managing Director, Administration and Customer Experience
Allison Mayer	Managing Director, Marketing and Communications
Emily Tocknell	Assistant Director, Policy
Nancy McCrea	Director of Research
Rich Higgins	Policy Planning and Inter-Agency Coordination
Greg Bird	Web Development/Customer Service Coordinator
Chelsie Caizzi	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 10th 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 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 1st, and November 7th. (Dates were subsequently moved to October 19th and December 13th.)

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.

APPENDIX F

October 19, 2017

Room 767, Albin O. Kuhn Library, University of Maryland, Baltimore County (UMBC)

1000 Hilltop Circle, Baltimore

12:00pm – 2:00pm

Minutes

Commissioners in attendance:

Marty Brunk	MEDC Vice-Chair, RSM
Ken Banks	Banks Contracting Company, Inc.
Jim Brady	Dunbar Armored, Inc.
Ray Briscuso, Jr. (call in)	MedTech Conference Partners
Ed Coleman	CIOX Health
Ed Dunn	American Mechanical Services
Martin Knott, Jr.	Knott Mechanical, Inc.
Manish Kothari	Sheladia Associates, Inc.
Julie Lenzer	UM Ventures
Aris Melissaratos	Stevenson University
Michael Miller	OGOS Energy, LLC
Laura Neuman	Former Anne Arundel County Executive
Jeanette Glose Partlow	Maryland Chemical Company
Elizabeth Rendón-Sherman	LG-TEK
Susan Schwab	Mayer Brown, LLP
Brenda Smith	The Greater Cumberland Committee
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
George Davis	Maryland Technology Development Corporation (TEDCO)

Guests:

Chris Carroll	Office of the Governor
Freeman Hrabowski, III	University of Maryland, Baltimore (UMBC)
John Wasilisin	TEDCO
Bob Ackerman	Allegis Capital
Jacob Vogelstein	Camden Partners
Chuck Cullin	Grotech Ventures
Jason Miller	Greater Washington Partnership
Jennifer Kaplan	Greater Washington Partnership
Avery Volkman	

Commerce Staff:

Ben Wu	Deputy Secretary/Chief Operating Officer (COO)
Julie Woepke	MEDC Executive Director
Steve Pennington	Managing Director, Business and Industry Sector Development
Greg Derwart	Managing Director, Administration and Customer Experience
Allison Mayer	Managing Director, Marketing and Communications
Rhonda Ray	Director, Policy, Research & Government Affairs
BGen Mike Hayes, USMC (ret.)	Managing Director, Military and Federal Affairs
Nancy McCrea	Director of Research
Kris Shock	Senior Director, Strategic Industries and Entrepreneurship
Christé Spiers	Program Manager, Professional Services
Chelsie Caizzi	Executive Associate, Office of the Secretary

Agenda**I. Call to Order**

Vice Chair Marty Brunk called the meeting to order, welcomed attendees and guests, and introduced newly reappointed Commissioner Michael Miller and new Commissioner George Davis, CEO of TEDCO.

II. Welcome Remarks

Freeman Hrabowski, III, President of UMBC welcomed guests to the campus and provided an overview of the University, emphasizing its curriculum focused on science, technology, engineering and mathematics. He described recent investments in the campus and partnerships with industry to include a strong relationship with the National Security Agency. He noted the University's recognition as a model for inclusive excellence by such publications as *U.S. News*, which for the past eight (8) years has recognized UMBC as a national leader in academic innovation and undergraduate teaching.

III. Review and Acceptance of May 9, 2017 Minutes

Upon motion duly made and seconded, the minutes of the May 9, 2017 meeting were approved.

IV. Chairman's Update

Vice Chair Brunk provided an update on behalf of Chairman Basu. Vice Chair Brunk reported that Maryland has been adding jobs at a significant rate, now ranking 6th among states as of August - ahead of Texas and FL and will soon be among the top 5. He stated Maryland has a strong industry mix and it appears its strength is growth through retention. He cited incremental upticks in projects such as the growth in logistics and distribution jobs in Cecil County which has seen 2,500 new jobs in the last 18 months not counting the new

Amazon distribution facility set to open in 2020. He added that it is currently good to be a business owner, noting more energy of employers; the University System of Maryland; Community Colleges; and new workforce initiatives and education resources. He added that the University System of Maryland will graduate 40,000 students next year with 80% of graduates projected to stay in Maryland.

V. Commerce Department Update

Secretary Gill presented an economic update citing that 127,600 new jobs have been created in Maryland since January 2015. He reported that unemployment is currently 3.9%, tourism spending is up 3% to \$17.3 billion, and visitors topped 42 million. He reviewed several marketing activities of last summer and highlighted two (2) major attraction projects – Amazon HQ2 and Infosys.

Secretary Gill requested that George Davis, CEO of TEDCO provide an update of the Excel Maryland Initiative. Mr. Davis stated that Phase 1, which identified the State's strengths, weaknesses and recommendations for cybersecurity and life sciences industries had been completed. He listed a few of the findings and stated that Phase 2 is underway to create an innovation hub to include finance programs, marketing, industry outreach and key business development functions.

Secretary Gill requested Allison Mayer, Managing Director, Marketing and Communications to present the recently launched marketing campaign, "Open for Business." Ms. Mayer presented visuals, described ad placements of which the first phase will be 60% in state and then strategically placed out of state. She then answered questions of Commissioners.

VI. Greater Washington Partnership

Jason Miller, CEO, Greater Washington Partnership, provided an overview of the recently formed regional organization which extends from Richmond, VA to Baltimore representing a population of 10.2 million. The organization is focused on addressing issues on a regional basis with particular emphasis on transportation, talent attraction, building skillsets and improving quality of life. He provided an overview of the region's assets and emphasized the need to maintain and improve the region's position in the increasingly competitive global economy.

Mr. Miller reviewed the structure and composition of the organization and engaged in dialogue with the Commissioners. (Presentation on file.)

VII. MEDC Subcommittee Reports

a. Strategic Plan Subcommittee

Jim Brady, Chair of the Strategic Plan Subcommittee reported that the Subcommittee met in July to review the 2017 legislative session activity. The Subcommittee discussed initiatives such as tax credits and tax reductions as identified and recommended in the Strategic Plan.

Commissioners discussed several opinions on paid sick leave, tax credits and tax reductions. It was suggested that once the Commerce Department and the Governor's legislative packages are introduced that the Subcommittee reconvene to discuss the packages and areas of support.

b. Rankings and Research

Mr. Ed Coleman, Chair, Rankings and Research Subcommittee reported the Subcommittee met in July to explore data and indicators that reflect the State's economic progress. One of the areas discussed was venture capital and recent reduction in investment. The discussion led to the invitation of a panel of distinguished venture capitalists to discuss their opinions on and recommendations.

Prior to introducing the panel, Ms. Christé Spiers, Commerce's Program Manager, Professional Services, provided an overview of venture capital investment in the state compared to the United States for the past five (5) years and the average deal size. She then introduced a panel of subject matter experts; Bob Ackerman, Founder and Managing Director, Allegis Capital; Jacob Vogelstein, Partner and Portfolio Manager, Camden Partners Holding, LLC; and Chuck Cullin, General Partner, Growth Ventures. Each of the panelists then provided additional information on their varied experience in the field.

Mr. Coleman opened the discussion with the panel by inquiring their opinion on the importance of local venture funding to support greater levels of innovation and entrepreneurship; why there is less local funding in Maryland than in other parts of the country; view of the overall Maryland venture capital environment; and why Maryland startups leave after the first few years.

Feedback from the panel included Maryland's cybersecurity businesses are more service than product oriented which is what venture capitalists tend to invest in; lack of a commercial venture capital culture; Maryland has world class engineering unlike any another region or country; the need for increased marketing of its businesses and environment outside the state; lack of talent at the product and business management levels; shortage of technology talent; need for a robust environment/cluster; investments in the state tend to be small; marketing of centers of excellence and the capturing of businesses attracted to the centers should be emphasized; relationships need to be cultivated with investors; Maryland would gain from capitalizing on its existing assets and tracking Silicon Valley businesses that are expanding to attract mid-Atlantic locations; and Maryland would benefit from review of the venture capital progress in the states of Utah, Florida and North Carolina.

Dialogue occurred among the Panelists and the Commissioners.

VIII. Department of Commerce Updates

Given the length of the discussion among the venture capital panelists and Commissioners, the following updates were not presented. Commissioners were asked to review the materials and contact staff with any questions. (Presentations available on file.)

- e. Customer Service & Experience** – *Greg Derwart*, Managing Director, Administration & Technology
- f. Business & Industry Sector Development** – *Steve Pennington*, Managing Director, Business & Industry Sector Development
- g. Military & Federal Affairs** – *BGen Mike Hayes, USMC (ret.)*, Managing Director, Military and Federal Affairs

Secretary Gill then acknowledged the career of retiring BGen Mike Hayes, USMC (ret.) and in addition to Commissioner Aris Melissaratos, thanked him his 18 dedicated years to the State of Maryland.

IX. Future Meeting Dates – 2017

Vice Chair Brunk announced the next meeting will be December 13th.

X. Adjournment

There being no further business and upon motion duly made and seconded, the meeting was adjourned at 2:05pm.

APPENDIX G – DRAFT*

Wednesday, December 13, 2017

Top of the 7's Ballroom, The Hotel at College Park, 7777 Baltimore Avenue, College Park

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, Co.
Jim Brady (call)	Dunbar Armored, Inc.
Ray Briscuso, Jr.	MedTech Conference Partners
Ed Coleman	CIOX Health
Annemarie Dickerson	Francis Scott Key Family Resort
Joshua Greene	O.A. Smith Corporation
Kai Hirabayshi	Caterpillar, Inc.
Manish Kothari	Sheladia Associates, Inc.
Julie Lenzer	UM Ventures
Aris Melissaratos	Stevenson University
Michael Miller	OGOS Energy, LLC
Laura Neuman	Former Anne Arundel County Executive
Jeanette Glose Partlow	Maryland Chemical Company
Elizabeth Rendón-Sherman (call)	LG-TEK
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)
George Davis	Maryland Technology Development Corporation (TEDCO)
Secretary R. Michael Gill	Department of Commerce
Benjamin Kramer	Delegate, District 19, Montgomery County
Secretary Kelly Schulz	Department of Labor, Licensing and Regulation (DLLR)

Guests:

Robert Caret	University System of Maryland
Dr. Wallace Loh	University of Maryland College Park
Ken Ulman	Margrave Strategies and University of Maryland Foundation
Tom Sadowski	University System of Maryland
John Wasilisin	TEDCO
Samantha O'Neil	University of Maryland Foundation

Commerce Staff:

Ben Wu	Deputy Secretary/Chief Operating Officer (COO)
Julie Woepke	MEDC Executive Director
Steve Pennington	Managing Director, Business and Industry Sector Development
Allison Mayer	Managing Director, Marketing and Communications
Emily Tocknell	Assistant Director, Policy
Bret Schreiber	Senior Director, BioHealth and Life Sciences
Nancy McCrea	Director of Research
Kris Shock	Senior Director, Strategic Industries and Entrepreneurship
Sharon Markley	Director, Education and Innovation
Jessica Reynolds	Regional Manager, International Investment and Trade
Morgan Green	Executive Associate, Office of the Secretary

I. Call to Order

Chairman Anirban Basu called the meeting to order, welcomed attendees and guests.

II. Welcome

Kelly Curry, Assistant Manager of The Hotel at College Park welcomed the Commission to the 297 room hotel and conference center. She provided an overview of the property which is one of three hotels owned by Southern Management. Ms. Curry reported that there are 300 employees of which 26% live within the local area and 98% live in Maryland. She then responded to questions of the Commission regarding room rate, food amenities and vacancy.

III. Consent Agenda

Upon motion duly made and seconded, the Consent Agenda Items were approved. (All reports are located in file.)

IV. Chairman's Updates

Chairman Basu reported that Maryland is experiencing a 3.8% unemployment rate, lower than the national rate. He stated Maryland is ranked 9th in job growth, the housing market is up 5.3% and median prices are up 5.5%. He indicated the uptick in housing is attributed to the first time home buyers.

V. Commerce Secretary Update

Secretary Mike Gill provided an overview of 2018 Goals in support of the positive economic development momentum occurring in the state. The goals included improved national rankings, a business location decision, solution to a transportation project, confirmation of Maryland's

foothold as the cybersecurity capital, successful special events and measureable success of the new marketing campaign, improved statistics and direction for Baltimore City, and the convention center and arena, a firm plan for Excel Maryland and the state becoming ranked as one of the best states to do business. (Presentation on file.)

VI. MEDC Subcommittee Reports

a. Strategic Plan Subcommittee

Jim Brady, Chair of the Strategic Plan Subcommittee encouraged Commissioners as business owners to be engaged in the upcoming legislative session. He indicated there would be a conference call in January for those interested in becoming involved in proposed legislation.

Ms. Emily Tocknell, Assistant Director Policy, provided an update on the Department of Commerce priorities for the 2018 Legislative Session: Maryland Economic Development Assistance Authority and Fund (MEDAAF) Restructuring and Renaming to Advantage Maryland and an amendment to the Maryland Wineries, Breweries, and Distilleries Tasting Rooms laws. She also discussed concepts in development: One Maryland Simplification and Alteration, legislation to assist cybersecurity businesses (staff seeking input) and Biotechnology Investment Incentive Tax Credit and Research and Development Tax Credit. She also indicated that Governor Hogan has a planned press conference today regarding economic development measures in support the economy.

Ms. Tocknell answered questions from the Commissioners regarding paid sick leave legislation and a matrix on cybersecurity to address the needs and support for the industry.

b. Rankings and Research

Mr. Ed Coleman, Chair, Rankings and Research Subcommittee reviewed notable updates to the Scorecard – the State moved from #30 in 2016 to #25 for the 2017 CNBC Top States for Business, #26 for Forbes Best States for Business in 2017 from #31 in 2016. He then referenced the unemployment rate, job participation and population growth, emphasizing the need to increase population.

VII. University of Maryland and Greater College Park Redevelopment Update

Dr. Wallace Loh, President, University of Maryland College Park provided welcoming remarks and an overview of the University. He explained that since his arrival on campus, there has been a transformation with the University to be an integrated partner of the community. He explained three (3) important components to the transformation – safety, public school improvements and private investment. He highlighted the average grade point average for students entering the University is 4.25% and that 20% of the students upon graduation leave the state. He emphasized the importance to reverse this brain drain and investments underway to create a more multifaceted community to encourage graduate retention.

Mr. Ken Ulman President, Margrave Strategies and Chief Strategy Officer for Economic Development, University of Maryland College Park Foundation presented an overview of a

number of development projects underway in Greater College Park, the purple line mass transit route which traverses the University with five (5) stops, and State approvals along Baltimore Avenue (Route 1) that will further support improved vehicular and pedestrian traffic. He highlighted the pent up demand for new residential and a number of the projects, the new innovation and entrepreneurial center, dynamic new academic space, and the establishment of the Terrapin Development Corporation, an arm of the University of Maryland Foundation with is assisting with the partnering of private investment. He concluded by stating that the first Class A Speculative Building in Prince George's County in over 20 years is now underway and critical mass is occurring which drives more private investment. (Link to video presentation: <https://www.youtube.com/watch?v=cqEsYa9g-Lk&feature=youtu.be>)

VIII. University System of Maryland and UM Ventures Update

Mr. Tom Sadowski, Vice Chancellor for Economic Development, University System of Maryland (USM) presented the USM objectives of culture of collaboration, leveraging of USM resources, talent development, strengthening entrepreneurial ecosystem and marketing the USM story. He described the practice of developing strong USM partnerships internal and externally, growing collaborations, commercialization and entrepreneurship and amplifying success. Mr. Sadowski reviewed innovation, key technology transfer indicators, business formations, start up activity, talent development and pipeline, innovation districts and examples of activities addressing the USM Strategic Plan and Goals. He closed by emphasizing the keys to unlocking USM's innovation capacity – culture, capital, talent and place. He then answered questions from Commissioners. (Presentation on file.)

Julie Lenzer, Associate Vice President for Economic Development and Co-Director, UM Ventures briefed the Commission on the strategic initiative of MPower, a collaboration of the UMCP and University of Maryland Baltimore (UMB) to identify, drive and nurture technology transfer and commercialization to unleash innovation. Ms. Lenzer described ecosystem building, start up support, campus connections, and next level tech transfer to activate fearless ideas for transformational impact. She reviewed the number of start up businesses and licenses over a five (5) year, highlighting a few of the businesses and a new collaborations. (Presentation on file.)

IX. Future Meeting Dates – 2018

Chairman Basu noted announced the 2018 meetings will be held March 2nd, May 31st, September 5th and December 6th.

X. Adjournment

There being no further business and upon motion duly made and seconded, the meeting was adjourned at 1:50 pm.

***Minutes are in draft form and will be presented at the March 2, 2018 Meeting for approval.**