

# ANNUAL REPORT ACTIVITIES & FINANCES

JULY 1, 2018 – JUNE 30, 2019



**MONTGOMERY COUNTY**  
ECONOMIC DEVELOPMENT  
CORPORATION **MARYLAND**

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The Montgomery County Economic Development Corporation (MCEDC) is a nonprofit organization created to promote economic growth in Montgomery County. MCEDC works with business owners, entrepreneurs, and elected officials to provide expertise and resources, while helping to create the conditions necessary for our community to thrive. MCEDC's work is funded largely by Montgomery County government and is guided by the following strategic goals, established by MCEDC's Board of Directors in April 2019:

**GOAL 1: Grow and Diversify the Local Economy**

**GOAL 2: Engage the Business Community to Establish Montgomery County as a Top County to Work and Live In the U.S.**

**GOAL 3: Cultivate a Local Ecosystem of Entrepreneurship & Innovation**

**GOAL 4: Grow and Sustain Increasing Levels of Revenue to Support the MCEDC's Long-Term Mission**

MCEDC's FY19 Strategic Work Plan reflects key economic data, business feedback and stakeholder discussions. In particular, the plan addresses common challenges identified by local companies, including:

- Scarcity of infrastructure to grow small businesses
- Difficulty building local B2B relationships
- Lack of access to capital
- Difficulty engaging with federal installations
- An underdeveloped innovation/entrepreneurship culture

Highlights of MCEDC's FY19 activities include the following:

## **FY19 RESULTS**

- \$84,100,950 Total Capital Investment in County
- 2,078 Jobs Retained Through Retention & Expansion Efforts
- 574 New Jobs Created Through Retention & Expansion Efforts
- 690 New Jobs Created From Attraction Projects

- 1,407 New Jobs Created as a Result of All Business Development Efforts
- 942,760 SF Commercial Space Leased in County
- 45 Businesses Chose to Stay, Expand or Relocate Within Montgomery County
- 36 Companies New to Montgomery County
- 808 Total Connections Made Between MCEDC and Companies
- 5 County Executive Business Visits: Koolspan, PM Hotel Group, Sheladia Associates, Snacklins and USP
- 190 Networking Events and Conferences Attended

## **MARKETING**

**Built for Bio** [builtforbio.com](http://builtforbio.com)

The Built for Bio campaign was launched in February and features local life sciences leaders in video, print, and digital ads. The series provides a great opportunity to gain insights into the bio companies in Montgomery County that are finding cures, creating life-saving vaccines and shaping the future of healthcare.

**Strength in Numbers** [thinkmoco.com/strength-in-numbers](http://thinkmoco.com/strength-in-numbers)

The Strength in Numbers video campaign presents compelling metrics to back business success in the County. It showcases individual areas of strengths using data and metrics. Areas include: Talent & Education; Connectivity & Housing; Diversity; Cybersecurity; Life Sciences and Sustainability. The campaign also featured interactive maps, data points of interest, and videos to support each key industry and areas of concentration.

## **White Oak**

MCEDC helped to promote investments in East County through its on-line and collateral-based White Oak marketing materials, business recruitment efforts, and Think Success video series. The Viva White Oak project was featured during the Opportunity Zone Workshop held in February.

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## Key Marketing Results

- 2019 Gold Communicator Awards for We Are Montgomery
- 2019 Gold & Silver Communicator Awards for Strength In Numbers
- 2019 IEDC Silver Award for Strength In Numbers
- 50K Visits to thinkmoco.com with 121k Page Views
- 35,401 Unique thinkmoco.com Visitors
- 2.18 Minutes Average Time Spent on thinkmoco.com
- 20 Videos Filmed/Socialized
- 99,538 YouTube Views
- 45 Newsletters with 127,682 Opens
- 11,166 Newsletter Recipients
- 206,601 People Reached on Facebook
- 344.6K Twitter Impressions

## STRATEGIC INITIATIVES

### Co-Packing/Co-Manufacturing Study

MCEDC selected Camoin Associates to conduct a regional market demand analysis/feasibility study for a food co-packing/manufacturing facility. The purpose of the study was to determine whether a facility could capture a significant amount of supply chain spending while strengthening business retention and expansion within the food and beverage production industry.

### Life Sciences Market Study

MCEDC contracted with JLL to conduct a market analysis of the life science industry in Boston and the technology industry in New York City. This analysis will be the basis for data-driven recommendations to strengthen and grow bio and technology sectors, and align to the Strategic Work Plan.

## Opportunity Zone Workshop

MCEDC partnered with the Federal Reserve Bank of Richmond for a day-long Opportunity Zone workshop at AFI in Silver Spring. County Executive Elrich provided opening remarks, followed by plenary sessions highlighting Twinbrook Quarter, Viva White Oak, PIC MC, and Lakeforest Mall. The event also featured breakout community tours in Silver Spring/Wheaton, Purple Line Corridor, Upcounty, and White Oak, followed by a Q&A session led by national opportunity zone experts and state and local partners. A post-event networking happy hour was hosted at Astro Lab Brewing and sponsored by Costar.

## Rockville Small Business Impact Fund

MCEDC assisted REDI, Inc. and the City of Rockville with the creation of the program's guidelines and provided \$50,000 to the fund. MCEDC currently serves on the Impact Fund's selection committee, along with representatives from the business community and Montgomery College's department of business and management. This project satisfies many of MCEDC's own goals including business expansion, entrepreneurship and strengthening the local supply chain.

## Launch of PHED/MCEDC Business Roundtable Series

In June, MCEDC and the PHED Committee launched the Business Roundtable Series to engage the business community in discussions about opportunities and challenges within the County.

## Quarterly Economic Indicators Publication

MCEDC partners with Montgomery Planning to produce a quarterly report of key economic indicators. Each edition covers a range of indicators including resident labor force, employment and commercial real estate information and indicators related to specific industries.

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## BUSINESS DEVELOPMENT

MCEDC's business development team continued its efforts to provide services and support to help start, grow or relocate businesses to Montgomery County.

Key activities include:

- Industry conferences and tradeshow participation; Area Development Consultants Forum in Miami, IEDC in Atlanta, HIMSS in Orlando, and a West Coast trip with counterparts in DC and Arlington.
- MCEDC and County Executive Elrich conducted visits to five local companies, including Sheladia, Koolspan, PM Hotel Group, Snacklins and USP

## FY19 PROJECT DETAILS

### Top Job Producers

- REGENXBIO: 172 jobs created; 138 jobs retained
- Business Integra: 100 jobs created
- Innovative Cellular Therapeutics: 60 jobs created

### Top CapEx Generators

- Autolus: \$28,000,000
- REGENXBIO: \$34,000,000
- Minkoff Development: \$20,000,000
- Ridgewells Catering: \$9,000,000

### Notable Successes

- DRB Enterprises, LLC: 19,621 new SF; 5 jobs created; relocated to Rockville
- Enviva: \$8,600,000 CapEx; 80,000 new SF; 45 jobs created; relocated within Bethesda

### Top Industries for New Jobs

- 15% IT/Tech
- 7% Business Services
- 37% Health Care/Pharma/Bio
- 6% Manufacturing

### Top Industries for Retained Jobs

- 20% IT/Tech
- 19% Consulting
- 15% Health Care/Pharma/Bio

### 27,841 SF of Wet Lab Space Added

- Propel Labs by Minkoff Development
- Clean Room/GMP Space by Interbiorne Partners

### Venture Capital

- \$365M Investment
- 65 deals
- 58 companies
- Life Science

### Life Sciences

- Adaptive Phage: Life Science Impact Grant; 15 jobs retained
- Autolus: new Rockville HQ; 85,000 SF; up to 170 new jobs
- Theraly: Life Science Impact Grant

### Cyber Security

- Saf.ai: 3 jobs retained; 1,700 SF

### IT/Tech

- Business Integra: 100 jobs created

### Financial Services

- Harbor Bank: new Silver Spring location
- ProFund Advisors: 122 jobs retained; 40 jobs created; \$7,000,000 CapEx; 47,000 SF

### Health Care

- Innovative Cellular Therapeutics: 60 jobs created
- Kaiser Permanente Aspen Hill: \$10,000,000 CapEx; 100,000 SF

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## Food & Beverage

- Dawson's Market: 30 jobs retained
- Ridgewells Catering: \$100,000 grant to expand; Bethesda HQ
- Snacklins: established Rockville HQ
- Astro Lab Brewing: \$57,644 MOVE Grant

## OPERATIONS

### County Contract and Appropriation

In FY19, Montgomery County government appropriated \$5,007,750 towards MCEDC's budget. A total of \$4,932,633.75 was received, reflecting a 1.5 percent reduction due to the County's Savings Plan. MCEDC is currently working with County staff to amend its existing contract.

### Annual Financial Audit

MCEDC engaged CohnReznick to conduct an independent review of its financial statements for the period ending June 30, 2019. An unmodified or clean opinion was issued. A copy of MCEDC's audited financial statements is enclosed.

## Private Fundraising Initiative

MCEDC has taken significant steps toward the creation of a long-term resource development plan that reflects diversified funding sources to support its strategic initiatives or operational needs. Resource Development Group (RDG) was selected through a competitive process to assess the marketplace and the potential to privately fund key economic development initiatives.

## Volunteer Activities

MCEDC staff donated their time to A Wider Circle, helping to stock and organize donated items for individuals and families in need. In December, the staff also spent time at the Manna Food Center to help fight hunger in Montgomery County.

## SUMMARY

MCEDC, having completed three full fiscal years of operation, continues to produce programs and activities which support the County's Comprehensive Economic Plan. We are proud of our accomplishments thus far and we appreciate your support as MCEDC furthers its efforts to accelerate a vibrant economic development ecosystem in Montgomery County.



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