

Montgomery County Economic Development Corporation
Board of Directors Meeting
September 20, 2021
Via Zoom

Meeting Minutes

The following Directors were present:

Robby Brewer, Principal, Lerch, Early & Brewer (Chair)
Kevin Beverly (Vice Chair)
Elana Fine, COO, VWG Wealth Management (Secretary)
Anthony Featherstone, Executive Director, WorkSource Montgomery
Terry Forde, President & CEO, Adventist Healthcare
Angela Graham, President & CEO, Quality Biological
Matthew Lee, President & CEO at FASTech, Inc.
Dr. Sanjay Rai, SVP for Academic Affairs, Montgomery College
Ola Sage, CEO, CyberRx
Tien Wong, CEO, Lore Systems, Tech 2000, Opus8, Inc.
Andrew Friedson, Councilmember, Montgomery County (Ex-officio)

The following Directors were absent:

Carmen Larsen, Aquas Inc. (Treasurer)

Other members of the public were present, consistent with the requirements of the Open Meetings Act and in accordance with the Corporation's Bylaws. A full list of participants is enclosed.

Board Chair Brewer called the meeting to order at 8:33 am. A quorum of the Directors was present. Ms. Magwood was designated to take the minutes.

Consent Agenda

Mr. Brewer presented the Consent Agenda consisting of the minutes from the July 12, 2021 meeting. Mr. Beverly moved to approve the minutes as presented. Mr. Lee seconded the motion. The motion passed unanimously.

Summary of Previous Closed Session

Pursuant to § 3-305 (1), on motion by Mr. Beverly and seconded by Mr. Ford, the Board voted unanimously to move into closed session on September 15, 2021, at 8:34 am to conduct the performance evaluation for the CEO. Members in attendance were Mr. Brewer, Ms. Fine, Ms. Larsen, Mr. Beverly, Mr. Wong, Dr. Rai, Ms. Graham, Ms. Sage, and Mr. Lee. The Board voted unanimously to adjust the CEO's compensation for FY22.

MCEDC FY21 Draft Annual Report Presentation

Mr. Tompkins presented an overview of the draft FY21 annual report. Mr. Wu noted that the annual report is in draft form because the audited financials are still pending. The final document will contain the numbers as confirmed by the auditors.

Mr. Tompkins highlighted several key activities conducted during the year including the distribution of pandemic relief funding to retail and restaurant establishments and the success of key partnerships including the Montgomery Can Code initiative and the Biotech Bootcamp, among others. In addition, Mr. Tompkins reported the following results: 756 jobs retained; 1,894 jobs created; over 700,000 square feet of new commercial lease space secured, and 5,373 business connections made. Mr. Tompkins noted that the results have met or exceeded the target metrics and are an increase over the previous year.

Ms. Fine noted that MCEDC's engagement with the University of Maryland should be reflected in the

annual report. Ms. Fine encouraged MCEDC to prioritize its relationship with the University of Maryland, College Park this year given its alignment with MCEDC's initiatives and its contribution of talent to the local economy. Ms. Fine added that it is important to ensure that the organization's partnerships are yielding the intended results. Mr. Tompkins and Mr. Wu agreed that the University of Maryland is an important partner and noted a few on-going engagements not just with the University of Maryland but also with both the Universities of Shady Grove (USG) and the University System of Maryland institutions. Ms. Sage agreed with Ms. Fine that MCEDC's ongoing engagement with University of Maryland should be prioritized and should be highlighted in the report. Dr. Rai noted that since the Universities of Shady Grove is the local Montgomery County academic institution, engagement with the University of Maryland can also, and is, brought through USG.

Comprehensive Economic Development Strategy Timeline & Outline

Mr. Tompkins discussed the timeline for the development and submission of the Comprehensive Economic Development Strategy. A draft of the plan will be submitted to the Board for review prior to submission to the Council. The final draft will be submitted to the Council by December 31. The Council will have until April 15 to act on the plan. Mr. Tompkins noted that the updated plan will have a much greater focus on social justice and racial equity, climate change and sustainability. Mr. Tompkins requested that Mr. Brewer identify two or three Board members to provide guidance and input on behalf of the Board.

Economic Development Grants Program for Nonprofits: Approval of Grants with Board Member Affiliation

Mr. Brewer reported that four of the nonprofits approved by MCEDC's Selection Committee are organizations which have an MCEDC board member who also serves in a leadership capacity in the grant applicant's organization. Mr. Brewer noted that the Selection Committee was comprised of MCEDC staff members, local nonprofit organizations, county staff and an elected official.

Mr. Wu gave a summation of the preliminary results of the Economic Development Grant Program for Nonprofits, including the awarding of approximately \$3.3M to 108 applicants. Mr. Wu discussed the selection process and the award of 19 high-impact grants ranging from \$50,000 to \$100,000.

Mr. Wu indicated that since the nonprofit grants program funding came directly from the state and there was an independent Selection Committee of outside public members, there was a question as to whether these extra steps from the board to recognize the approval of grants with board member affiliation were procedurally necessary. The staff, however, recommended to take this action to the Board Chair in an overabundance of caution and the desire to enhance public transparency.

Rebuilding Together Montgomery County and Hispanic Business Foundation of Maryland

Mr. Brewer noted Ms. Larsen's absence from the meeting and discussed the following awards recommended by the Selection Committee in which she serves in a policy making role:

- Rebuilding Together Montgomery County - \$20,000
- Hispanic Business Foundation of Maryland - \$20,000

The Board agreed that the disclosure of Ms. Larsen's role in both organizations constitutes a potential conflict of interest.

Mr. Wong moved to approve each grant and to confirm that both awards are commercially reasonable and represent fair value. Ms. Fine seconded the motion. The motion passed unanimously.

KOBE Government Contract Alliance

Mr. Brewer noted Mr. Lee's policy-making role in the following award recommended by the Selection Committee, in which he serves in a policy making role:

- KOBE Government Contract Alliance - \$20,000.

The Board agreed that the disclosure of Mr. Lee's role constitutes a potential conflict of interest. Mr. Brewer requested that Mr. Lee be electronically removed from the meeting at 9:30 am.

Mr. Brewer discussed the proposed award. Mr. Wong moved to approve each grant and to confirm that the award is considered commercially reasonable and represents fair value. Ms. Fine seconded the motion. The motion passed unanimously. Mr. Lee rejoined the meeting at 9:32 am.

Montgomery Moving Forward/Nonprofit Montgomery

Mr. Brewer noted Mr. Beverly's policy making role in Montgomery Moving Forward, which is part of the Nonprofit Montgomery collective. The following award to Nonprofit Montgomery was recommended by the Selection Committee:

- Nonprofit Montgomery - \$35,000

The Board agreed that the disclosure of Mr. Beverly's role constitutes a potential conflict of interest. Mr. Brewer requested that Mr. Beverly be electronically removed from the meeting at 9:34 am.

Mr. Brewer discussed the proposed award. Ms. Fine moved to approve the grant and to confirm that the award is considered commercially reasonable and represents fair value. Dr. Rai seconded the motion. The motion passed unanimously. Mr. Beverly rejoined the meeting at 9:36 am.

Business Development Update

Mr. Stewart reported that several significant business development projects are underway and that he anticipates a series of announcements over the next few months.

Mr. Stewart discussed the ongoing challenge of finding large enough spaces for companies seeking to expand or relocate to Montgomery County. Mr. Stewart noted that companies looking for new space are either looking for smaller spaces to accommodate hybrid working arrangements or are upgrading their existing spaces to attract workers back to the office.

Mr. Stewart reported that United Therapeutics is in the process of significantly expanding its campus in Downtown Silver Spring. Mr. Stewart anticipates that some of the expansion will be put on hold as result of a pending lawsuit challenging the zoning for the space by neighbors adjacent to the United Therapeutics properties.

Ms. Fine suggested that additional time be allotted on future Board meeting agendas to allow for more substantive discussions on MCEDC's business development efforts.

President & CEO Report

Economic Advisory Panel Report

Mr. Wu noted that the Economic Advisory Panel expects to release the "Connecting the Dots" report at an event in October. Ms. O'Keefe stated that the event will unveil the findings of the Economic Advisory Panel and will be moderated by the publisher of the Washington Business Journal. The WBJ will also market the event to the broader business community to raise awareness of the report.

Staff Hiring Update

Mr. Tompkins reported that recruitment activities are ongoing. Interviews have commenced for the following vacancies: Research & Policy Manager, Special Projects Manager, and VP of Strategy & Innovation.

Treasurer's Report

Ms. Hardy noted that the organization is undergoing its regularly scheduled financial audit for FY21 and a single audit for the federal funds distributed for pandemic relief. The Audit & Finance Committee will meet

in October to review the audited financial statements and will report back to the Board in November. Ms. Hardy presented the financial statements for the period ending August 31.

WorkSource Montgomery Update

Mr. Featherstone reported that WorkSource Montgomery's Local Workforce Development plan will be updated by June 2022. Mr. Featherstone noted that he is working with MCEDC to ensure that the plan and the Comprehensive Economic Strategy are in alignment. WorkSource Montgomery is also working on a data sharing agreement with the Maryland Department of Labor which will provide access to the contact information for 31,000 unemployed residents of Montgomery County. This agreement will allow WSM to be more strategic in its outreach efforts. Mr. Tompkins added that MCEDC is also recruiting a dedicated Workforce Development Specialist. This position will be funded and supervised by MCEDC and WSM.

Mr. Wu, Dr. Rai and Mr. Beverly commended Mr. Featherstone for his leadership and recent accomplishments and offered their continued support.

New Business

Mr. Beverly discussed the Montgomery Moving Forward (MMF) recommendation to the Council to create a public-private partnership that would be responsible for the coordination of early childcare in the county. The Council is currently working on legislation to determine what the entity should look like. Mr. Beverly noted that there is a competing proposal that would make this function the responsibility of the county's executive branch.

Mr. Tompkins noted that the cost of not addressing childcare workforce issues with an integrated approach will continue to impact the business community's ability to attract and retain talent. Dr. Rai discussed the loss of over 800 childcare programs across the state.

Mr. Beverly encouraged MCEDC to support MMF's proposal and encouraged the Board to review the Recommendations for a Public Private ECE Coordinating Entity in Montgomery County, Maryland in its entirety.

Adjournment

The meeting adjourned at 10:28 am.

Next Board Meeting: October 18, 2021