

Montgomery County Economic Development Corporation
Continuation of Annual Board of Directors Meeting
July 12, 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 (departed the meeting at 8:56 am)
Jerome Fletcher, Assistant Chief Administrative Officer, Montgomery County (Ex-officio)
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 8:32 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 June 21, 2021 annual meeting. Ms. Hardy noted that the minutes should be corrected to reflect that the applications for Phase One of the Nonprofit Grant program will be accepted through July 19, 2021.

MCEDC FY22 Operating Budget

Mr. Brewer opened the floor for additional board questions or comments on specific line items in the proposed budget that had been presented in the June annual meeting. Ms. Graham asked for clarification regarding the use of the fund balance from FY21. Mr. Tompkins noted that the FY22 budget has expenses exceeding the base appropriations level by \$1.5 million. Thus, the FY22 budget will be supplemented by MCEDC's unrestricted fund balance and the difference in the budget will be covered by this balance.

Mr. Tompkins presented a detailed overview of the budget allocations for each of the seven strategic initiatives and entertained questions.

1. Federal Engagement Strategy - \$175,000
 - Ms. Fine expressed concern about the broadness of the initiative and urged the staff to be as specific as possible about the expected outcomes. Ms. Fine suggested that the staff research examples of where this approach has been successful in other jurisdictions and to find ways to align this work with the recommendations from the Economic Advisory Panel.

- Mr. Wu noted that the \$175,000 funding level for this activity was specifically directed by Council language in the MCEDC FY22 appropriation. While this is the first time that the Council or the PHED Committee has mandated direct spending in a specific area, MCEDC did not object to the Council since there is already a preexisting federal engagement focus and an intent to continue significant collaborations with local federal facilities, especially given their enhanced federal funding opportunities and agency roles in support of the nation's economic recovery efforts.
- 2. Commerce Cabinet Initiatives - \$125,000
 - The Board did not have questions or comments on this initiative.
- 3. MoCo Innovation Center - \$100,000
 - The Board did not have questions or comments on this initiative
- 4. Talent Pipeline Development - \$25,000
 - Ms. Fine questioned whether the allocation was sufficient given the priority of talent and workforce development. Mr. Tompkins clarified that a full-time employee will be hired to focus exclusively on workforce development and will be cost-shared with WorkSource Montgomery. This additional cost is reflected in the personnel budget.
- 5. Montgomery County Comprehensive Economic Development Strategic Plan - \$75,000
 - Mr. Brewer noted that this funding will be used to support the management and development of the Comprehensive Economic Strategy. Additional funds will also be devoted to supporting this purpose (e.g., marketing, personnel). Mr. Tompkins noted that the \$75,000 for this line item can also be used to obtain additional technical expertise.
- 6. 3R Initiative (Final Phase) - \$150,000
 - The Board did not have questions or comments on this initiative.
- 7. Business E-commerce Support- \$50,000
 - The Board did not have questions or comments on this initiative.

Dr. Rai moved to approve the FY22 operating budget as presented. Mr. Wong seconded the motion. The motion passed unanimously.

MCEDC FY22 Strategic Work Plan

Mr. Tompkins presented an overview of the FY22 Work Plan and highlighted three specific areas of action. Mr. Brewer asked for questions and comments on the proposed actions for each area of focus.

- Advancing Montgomery County industry growth and sector diversification;
- Fostering Montgomery County entrepreneurial activity and new business formation; and
- Responding to the needs of targeted and emerging Montgomery County industries.

Action 1

Ms. Graham asked for a clarification regarding the use of the term “engaged with” in the document. Mr. Tompkins noted that engagement varies depending on the needs of the company. Engagement activities include making connections to capital, identifying locations for businesses to expand, identifying additional talent, etc.

Ms. Graham and Ms. Fine noted that the activities outlined in Action 1 are not aligned with the metric of creating jobs. Mr. Beverly discussed the environmental issues that prevent business growth in the county and suggested that MCEDC be more engaged in activities that will impact the business climate (e.g., incentives and regulatory constraints). Mr. Tompkins noted that the Economic Advisory Panel has been discussing these issues and is expected to address the Montgomery County business climate. In addition, individual work plans will be developed that will provide more detail around the tactics for each action.

Action 2

Mr. Tompkins noted the following correction to the fifth metric under Action 2: “Programs will be evaluated for each of the five strategies outlined in the Federal engagement strategic plan outlined above.”

Action 3

Mr. Forde discussed the importance of infrastructure as it relates to economic development. Mr. Brewer noted that infrastructure will be a focus of the Montgomery County Comprehensive Economic Development Strategic Plan that will be created in the Fall.

Action 4

Mr. Tompkins discussed MCEDC’s intent to facilitate greater access to capital for emerging and growth businesses. Mr. Tompkins noted that MCEDC has been asked to identify available sources of capital for these small businesses within the county and to make appropriate connections. Mr. Beverly inquired whether the amount of funding provided to local businesses was known and suggested the establishment of a metric to demonstrate improvement. Mr. Tompkins noted that the total amount is not known. Mr. Brewer suggested that the data could be obtained through the Small Business Administration and offered to make connections to obtain this information. Ms. Graham suggested that it might be more effective for MCEDC to help identify the underlying reasons that prevent businesses from accessing capital and to partner with other organization to address those issues.

Action 5

Mr. Tompkins discussed MCEDC’s proposed activities around entrepreneurship. Ms. Fine suggested that MCEDC consider partnering with USG (through its Entrepreneurship Lab) and coordinating its activities to avoid duplication of effort.

Ms. Graham inquired about MCEDC’s role in the management of the incubators. Mr. Tompkins noted that the County Executive has decided to maintain responsibility for the incubators. Mr. Fletcher discussed the recommendations from the incubator study that was commissioned by the County Executive and offered to share the report with the Board.

Action 6 & Action 7

The Board did not have questions or feedback on Action 6 or Action 7.

Dr. Rai moved to approve the FY22 Strategic Work Plan. Mr. Wong seconded the motion. The motion passed unanimously. Ms. Sage was not present for the vote.

New Business

Mr. Wu noted that the application deadline for Phase One of the Nonprofit Grant program is July 19. Mr. Wu encouraged the Board to share the program information with the nonprofit organizations in their networks.

Adjournment

The meeting was adjourned at 9:36 am.

MCEDC Board Meeting Attendees July 12, 2021 Via Zoom

1. Kevin Beverly, Social & Scientific Systems
2. Robby Brewer, Lerch, Early & Brewer
3. Ronald Daversa
4. Judy Costello, Montgomery County Government
5. Sharon Disque, Gaithersburg Office of Economic Development
6. Laurie Edberg, Montgomery County Government
7. Anthony Featherstone, WorkSource Montgomery
8. Andrew Friedson, Montgomery County Government
9. Cindy Gibson, Montgomery County Government
10. Elana Fine, VWG Wealth Management
11. Jerome Fletcher, Montgomery County Government
12. Terry Forde, Adventist HealthCare
13. Romola Ghulamali, MCEDC
14. Angela Graham, Quality Biological
15. Stacey Hardy, MCEDC
16. Matthew Lee, FASTech, Inc
17. Sandra Magwood, MCEDC
18. Kristin O'Keefe, MCEDC
19. Dr. Sanjay Rai, Montgomery College
20. Cindy Rivarde, Rockville Economic Development, Inc.
21. Ola Sage, CyberRx
22. Philip Singerman
23. Gene Smith, Montgomery County Government
24. Brad Stewart, MCEDC
25. Bill Tompkins, MCEDC
26. Benjamin Wu, MCEDC
27. Tien Wong, Lore Systems, Tech 2000, Opus8, Inc.