

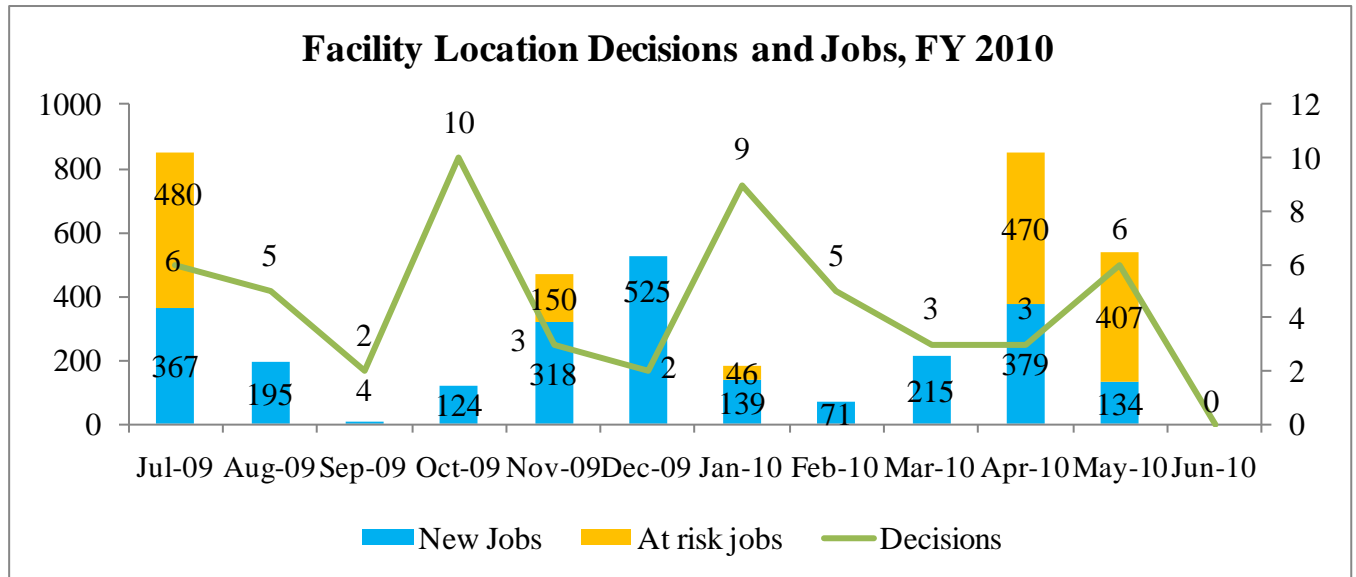
Meeting Summary

Agency: DBED

Following is a summary of issues discussed at the DBED Stat on August 31, 2010. Analysis is provided by StateStat and the Governor’s Delivery Unit (GDU).

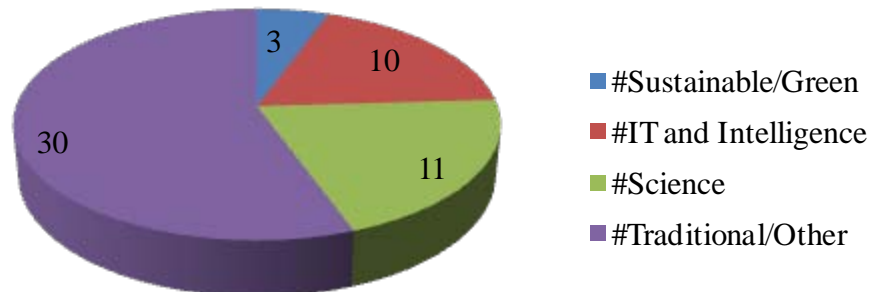
Business Development

- **Facility Location Decisions.** In FY 2010 the Department’s activities resulted in 54 facility location decision or facility expansions and 4,024 new or retained jobs.



- **Industry Sectors.** The Department’s largest sector of jobs was in the traditional business sector, with 30 of the 54 facility location decisions. The remaining 24 decisions were in high-priority areas (Green/Sustainable, IT/Intelligence, and Science) for the Department, as shown in the chart below.

Total Facility Location Decisions by Industry, FY 2010



Financial Assistance

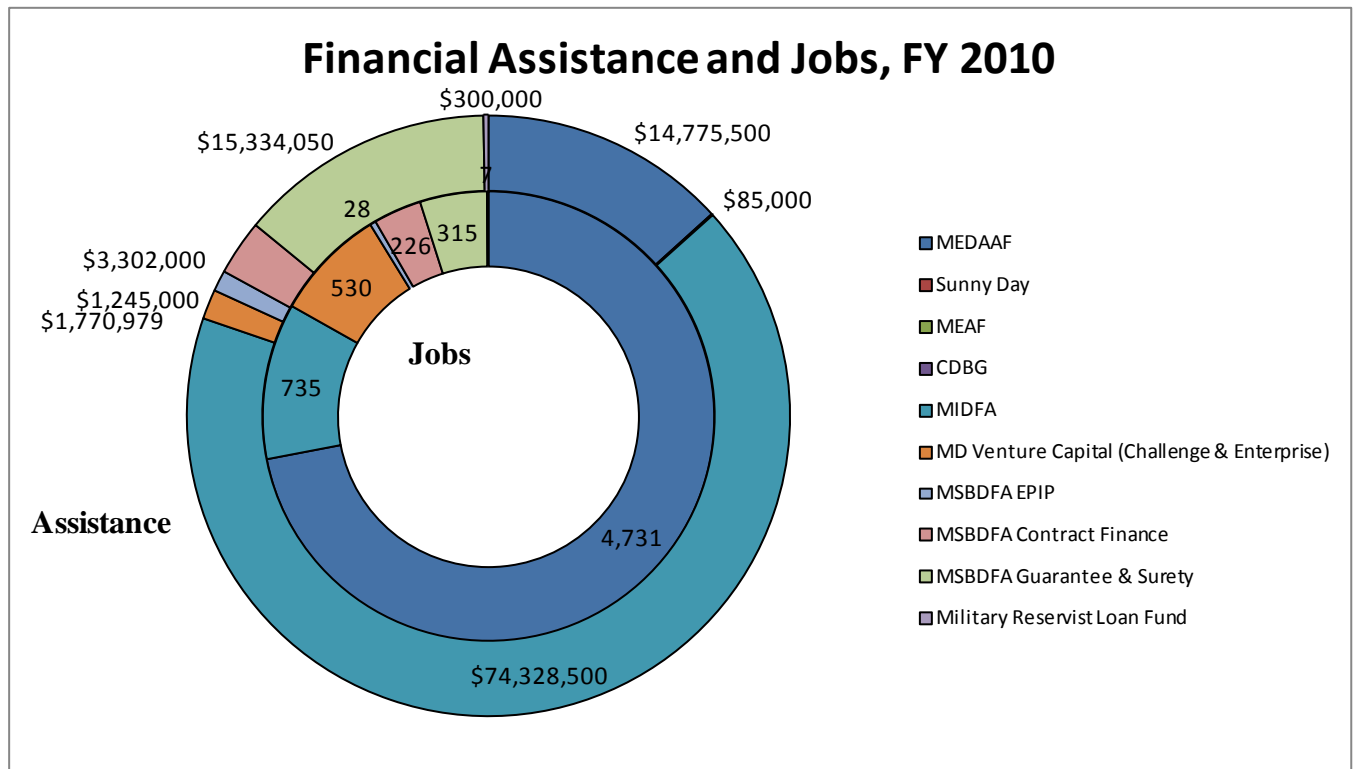
- **Financing Approved.** The Department approved 106 financial assistance transactions in FY 2010 for a total of \$111 million dollars. This assistance is expected to support 6,572 jobs in Maryland.

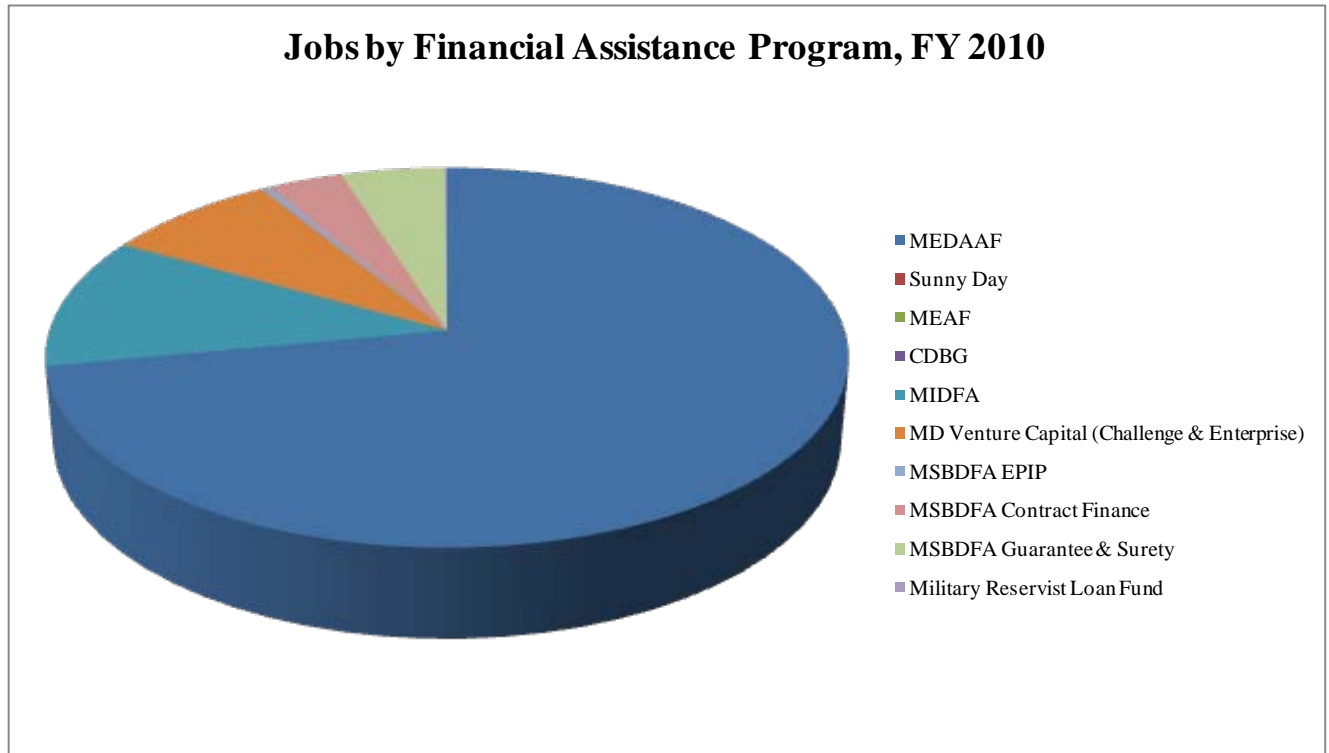
Total Financial Assistance Approved by Program, FY 2010				
Program	Transactions	Value	Jobs	CAPEX
MEDAAF	26	\$14,775,500	4,731	\$653,533,000
Sunny Day	0	\$0	0	\$0
MEAF	0	\$0	0	\$0
CDBG	2	\$85,000	0	\$125,000
MIDFA	16	\$74,328,500	735	\$97,139,000
MD Venture Capital (Challenge & Enterprise)	16	\$1,770,979	530	\$22,400,000
MSBDFA EPIP	9	\$1,245,000	28	\$2,192,000
MSBDFA Contract Finance	13	\$3,302,000	226	\$3,602,000
MSBDFA Guarantee & Surety	18	\$15,334,050	315	\$19,325,000
Military Reservist Loan Fund	6	\$300,000	7	\$1,460,000
Total	106	\$111,141,029	6,572	\$799,776,000

MEDAAF—Maryland Economic Development Assistance Authority Fund
 MEAF—Maryland Economic Adjustment Fund
 CDBG—Community Development Block Grant
 MIDFA—Maryland Industrial Development Financing Authority
 MSBDFA—Maryland Small Business Development Financing Authority
 CAPEX—Capital Expenditures

- Financing by Program.** The Maryland Economic Development Assistance Authority Fund (MEDAAF) accounted for the majority of the jobs created in FY 2010. However, as the panel is aware, MSBDFA was granted additional funding as part of the Small Business Credit Recovery Program (SBCRP) and saw additional activity in the second half of FY 2010.

The Department noted that the figures were partially skewed MIDFA transaction that had a large bonding component (which provides a guarantee, and does not serve as a loan). Furthermore, the Department noted that a majority of financial assistance is provided through loans, and that the dollars will ultimately return to the Department once they are paid off.





- Job Creation and Recovery Tax Credit.** The Job Creation and Recovery Tax Credit (JCRTC), passed by the 2010 Legislative Session, provides a tax credit for businesses who hire individuals who are currently unemployed. The program is administered by the Department of Labor, Licensing and Regulation (DLLR) but is promoted by DLLR and DBED. To date, the program has resulted in 304 individuals hired and 144 business assisted.

The panel and the Department discussed how to continue marketing this program to businesses.

- Small Business Credit Recovery Program.** The Small Business Credit Recovery program provides financing assistance for small business through MSBDFA. To date, the program has provided \$1.6 million in loan insurance for \$6.5 million in loans, supporting 342 jobs

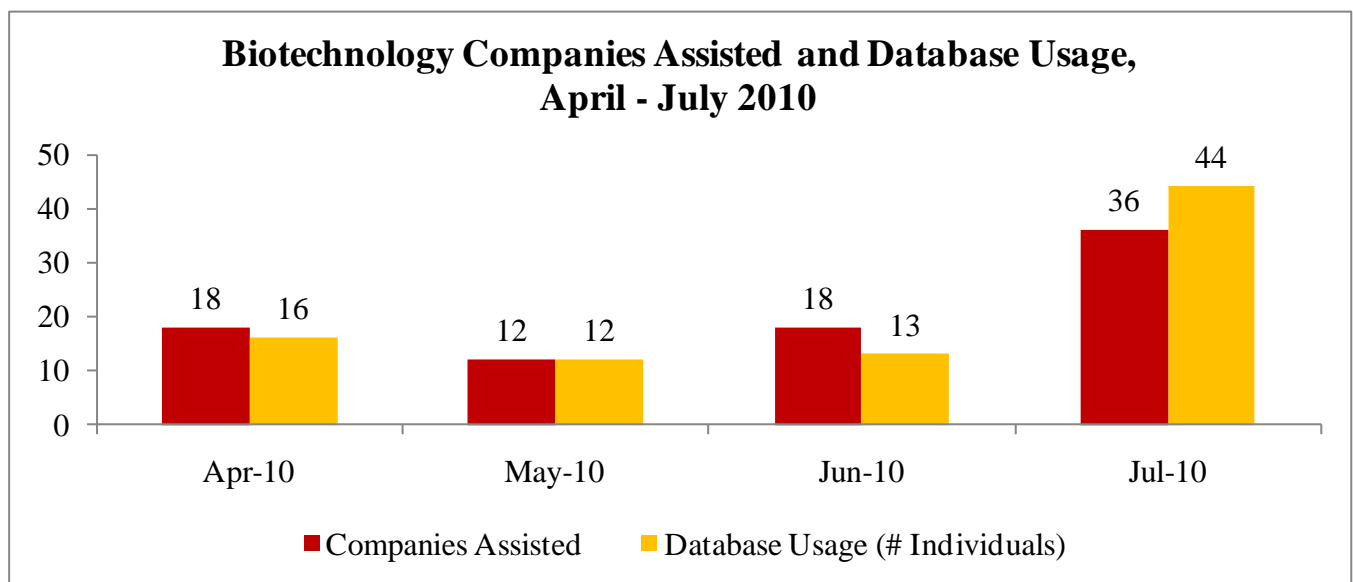
The Department noted that it is undertaking a number of efforts to train lenders and businesses on the program in the coming months to help promote the program and its positive impact on small businesses.

Bio2020

- Biotechnology Tax Credit.** The Department recently awarded its yearly biotechnology tax credits for just over \$8 million dollars, resulting in 17 companies benefitting and 124 of the 166 investors receiving grants (75 percent).

Biotechnology Tax Credit	
-Companies Benefitting	17
-Investors Applying	166
-Investors Receiving	124
-Value	\$8,060,906
-Leveraged Investment	\$17,631,646

- Assistance Offered.** The Biotechnology Center now tracks the assistance it provides to businesses on a monthly basis. The Department reported 50 percent increase in businesses assisted and a 238 percent in database usage between June and July; the center also offered some business plan development and financing assistance during July.



GDU Jobs Goal

- **DBED Jobs Goal (GDU Goal I).** DBED is the lead on the Administration's effort to create, save or place Marylanders into 250,000 Jobs by the end of 2012 are the following DBED led strategies. This goal is being met through the following strategies:
 - Coordinating the relocation, creation, and expansion of up to 60,000 BRAC jobs to Maryland, of which nearly 25,000 should be place by 2012.
 - Maximizing all direct and induced jobs created and retained as a product of the deployment of ARRA funds in Maryland, expected to create or retain 66,000 jobs according the Obama Administration.
 - Directly creating or retaining 10,000+ jobs each fiscal year through business development efforts, leading to the creation or retention of no less than 18,700 indirect and induced jobs per fiscal year.
 - Facilitating the creation of more than 25,000 jobs through the expansion of federal facilities in Maryland.
 - Aggressively marketing Maryland as the ideal location for tourism and leisure, film, the arts, and for major national or global cultural and sporting events.
 - Initiating a Maryland green jobs initiative to create/save 100,000 "Green Jobs" by 2015.

The Department and the panel discussed the missing areas of the jobs goals and discussed what figures were required to complete the analysis.

Job Creation/Retention Source	Jobs by 2012	Progress to Date	% Complete	Agencies Involved
Base Realignment & Closure (BRAC)	24,600	9,002	37%	DBED
Maximize ARRA Deployment	66,000	13,800	21%	Various Agencies, StateStat
Business Development Activities	63,183	9,416	15%	DBED
Business Services Activities	15,069	6,848	45%	DBED
International Investment & Trade	2,108	187	9%	DBED
Business Finance Programs	10,045	8,670	86%	DBED
Small Business Credit Recovery Program	TBD	0	--	DBED
Job Creation and Recovery Tax Credit	4,000	139	3%	DBED
Federal Facility Expansions (Civilian)	25,000	5,431	21%	DBED
Federal Facilities Military (non BRAC)	10,045	0	--	DBED
Tourism, Arts, Culture and Sports	23,000	--	--	DBED
Bio and Bio2020	TBD	--	--	DBED
Invest Maryland Initiative	TBD	--	--	DBED
Slots Initiative	700	0	--	DBED
Transit Oriented Development (TOD)	17,375	--	--	MDOT
Maryland Capital Budget	79,900	7,300	9%	DBM (FY 08 – FY 11)
Sustainable Communities Tax Credit / Historic Tax Credit	3,600	--	--	MDP, Smart Growth Sub-Cabinet
Energy Initiatives (Non-ARRA)	7,217	710	9%	MEA
Bay Restoration Initiatives	526	184	--	DNR
Maryland One Stop Job Placements	224,683	50,225	22%	DLLR
Port of Baltimore Expansion	5,700	--	--	MDOT-MPA
HERA Bond Issues	593	4	1%	DHCD
Maryland Smart Sites (non TOD)	429	110	47%	DHCD
Energy Efficiency & Conservation Block Grant (EECBG Retrofit Ramp-up)	TBD	--	--	DHCD
Local Government Infrastructure (LGIF)	TBD	--	--	DHCD
Main Streets Maryland (MSM)	233	139	--	DHCD
Neighborhood Business Works (non-MSM)	1,436	862	--	DHCD
Serve Maryland -Teachers Initiative	400	380	95%	MHEC
Serve Maryland - Nurses Initiative	1,635	350	21%	MHEC
Health IT and HER Expansion	2,000	120	0.06%	MHCC
TOTAL	589,477	113,877	19%	

