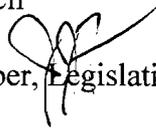


INTRODUCTION

MEMORANDUM

March 12, 2009

TO: County Council

FROM: Justina J. Ferber,  Legislative Analyst

SUBJECT: Resolution to Support Maryland Economic Development Assistance Authority and Fund (MEDAAF) Conditional Loan for OpGen, Inc. for \$200,000

The County Executive has requested the Council adopt a resolution endorsing a Maryland Economic Development Assistance Authority and Fund (MEDAAF) conditional loan of \$200,000 for OpGen, Inc. Section 5-1405, Article 83A, Annotated Code of Maryland, provides that the County must endorse the MEDAAF loan but does not require a County full faith and credit guaranty. The purpose of the MEDAAF loan is to assist OpGen, Inc.'s expansion in the County. The County has approved \$20,000 from the Economic Development Fund.

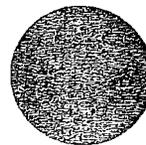
OpGen is a leader in microbial genome analysis and its proprietary "Optical Mapping" system has been used worldwide. The company relocated to Montgomery County from Wisconsin in April of 2008 and has graduated from the County's incubator and moved into commercial space in Gaithersburg. The company currently employs 50 full-time jobs in the County and plans to employ at least 100 full-time jobs by the end of 2012.

INTRODUCTION

Council staff recommends County Council introduction of the resolution to endorse the MEDAAF conditional loan of \$200,000 to assist OpGen, Inc.'s expansion in the County.

Attachment: Executive Memorandum ©1
Resolution ©2

BUDFIN &
ECON DEV



040975

JF
CC
SBF
has - LL

OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

March 11, 2009

2009 MAR 12 AM 8 41

COMMUNICATIONS SECTION

TO: Phil Andrews, President, County Council

FROM: Isiah Leggett, County Executive

SUBJECT: MEDAAF Resolution for OpGen, Inc.

The purpose of this memorandum is to request that the Montgomery County Council introduce and adopt a resolution acknowledging that the State of Maryland is utilizing its Maryland Economic Development Assistance Authority And Fund (MEDAAF) to assist in a business transaction in Montgomery County. This financing program does not require a local jurisdiction's full faith and credit guaranty, but only requires that the local jurisdiction pass a resolution of support.

Specifically, the County has negotiated with the State to provide a funding package of \$220,000 to assist OpGen, Inc.'s expansion in Montgomery County. The State will assist the company through a \$200,000 loan from the MEDAAF program. The County has approved \$20,000 from its Economic Development Fund.

The financial assistance package from both the State and County are in the form of a conditional loan that can be partially or entirely converted to a grant upon OpGen, Inc.'s achievement of their projected job creation milestones.

OpGen, Inc. is a leader in microbial genome analysis and its proprietary "Optical Mapping" system has been used by academic and commercial organizations worldwide for such applications as in comparative genomics and genome sequence assembly/validation. The company relocated to Montgomery County from Wisconsin in April of 2008, and has already graduated from the County's incubator and moved into commercial space in Gaithersburg. The company currently employs 50 full-time jobs in the County and plans to employ at least 100 full-time jobs by the end of 2012. OpGen, Inc. would greatly benefit from the Council's passage of the required resolution, which is attached.

I would appreciate the Council's prompt action on this important matter.

IL/ll

Attachment

1

Resolution No: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: County Council at the request of the County Executive

SUBJECT: Maryland Economic Development Assistance Authority And Fund
Loan to assist OpGen, Inc.'s expansion in Montgomery County (\$200,000)

Background

1. The County Executive endorses a conditional loan of \$200,000 to OpGen, Inc. ("OpGen") from the State of Maryland under the Maryland Economic Development Assistance Authority And Fund (MEDAAF), which is codified as in Section 5-319 Economic Development Article, Annotated Code of Maryland.
2. MEDAAF provides conditional grants/loans to businesses engaged in eligible industries locating to or expanding in a "priority funding area" in the State of Maryland. Proceeds from the grant/loan may be used by the borrower to cover new facility rental/lease payments and/or relocation expenses associated with personnel and/or the physical relocation of the headquarters operation.
3. The County Executive has approved a conditional loan of \$20,000 from the County's Economic Development Fund (EDF) to assist OpGen's expansion in the County.
4. OpGen, Inc. is a leader in microbial genome analysis and its proprietary "Optical Mapping" system has been used by academic and commercial organizations worldwide for applications such as comparative genomics and genome sequence assembly/validation.
5. The company relocated to Montgomery County from Wisconsin in April of 2008. The company has already graduated from the County's incubator and moved into commercial space in Gaithersburg. The company currently employs 50 full-time jobs in the County and plans to employ at least 100 full-time jobs by the end of 2012.
6. Section 5-319 Economic and Development Article, Annotated Code of Maryland, requires the governing body of Montgomery County ("the County") to endorse the granting of a MEDAAF loan for the project.
7. The County has determined that granting the MEDAAF loan for the Project is in the best interest of the citizens of the County.
8. The County Executive requests endorsement of the MEDAAF loan by the County Council.

Action

The County Council for Montgomery County, Maryland, approves the following resolution:

The County Council fully endorses the granting of a MEDAAF loan for the Project.

This Resolution shall be effective upon its adoption in accordance with applicable law.

This is a correct copy of Council action:

Linda Lauer, CMC
Clerk of the Council

Approved:

Isiah Leggett
County Executive