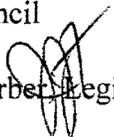


INTRODUCTION

MEMORANDUM

June 10, 2010

TO: County Council

FROM: Justina J. Ferber, Legislative Analyst 

SUBJECT: Resolution to Support Maryland Economic Development Assistance Authority and Fund (MEDAAF) Conditional Loan for Qiagen, Inc. for \$700,000

The County Executive has requested the Council adopt a resolution endorsing a Maryland Economic Development Assistance Authority and Fund (MEDAAF) conditional loan of \$700,000 for Qiagen, 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 provide a financial incentive to Qiagen. The County approved a \$300,000 conditional loan from the Economic Development Fund to assist Qiagen's expansion in Germantown.

Qiagen, Inc. is headquartered in Germany and is the leading provider of sample and assay technologies. It has a 27 acre campus located in Germantown and with 580 employees. The company plans to expand its operation in the County by constructing an 117,000 square foot building for use as offices for administrative purposes and a manufacturing facility. Qiagen plans to hire an additional 90 full-time employees.

INTRODUCTION

Council staff recommends County Council introduction of the resolution to endorse the MEDAAF conditional loan of \$700,000 to provide financial incentives from the State of Maryland to Qiagen, Inc.

Attachment: Executive Memorandum ©1
Resolution ©2



OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

May 26, 2010

TO: Nancy Floreen, President, County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: MEDAAF Resolution for Qiagen, Inc.

The purpose of this memorandum is to request that the Montgomery County Council introduce and adopt a resolution. This resolution acknowledges that the State of Maryland is utilizing its Maryland Economic Development Assistance Authority and Fund ("MEDAAF") to provide a financial incentive to Qiagen, Inc. 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 State will assist Qiagen, Inc. through a \$700,000 conditional loan from the MEDAAF program. The County has approved a \$300,000 conditional loan from its Economic Development Fund. The financial incentives from the State and the County can be partially or entirely converted to a permanent grant upon Qiagen, Inc.'s achievement of their projected job creation or equity investment milestones.

Qiagen, Inc., headquartered in Germany, is a leading provider of sample and assay technologies. The company occupies 27 acres at its Germantown campus as its North American headquarters and currently has 580 employees in the County. The company plans to expand its operation in the County by constructing a 117,000 square foot building for use as offices for administrative purposes and a manufacturing facility. The company plans to retain 580 full-time positions and hire additional 90 full-time employees. The total expenditures for construction and equipment purchase are estimated to be \$52,000,000. Qiagen, 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

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 Qiagen, Inc.'s expansion in Montgomery County (\$700,000)

Background

1. The County Executive endorses a conditional loan of \$700,000 to Qiagen, Inc. ("QIAGEN") 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 has approved a conditional grant of \$300,000 from the County's Economic Development Fund ("EDF") to assist QIAGEN's expansion in the County.
4. QIAGEN, headquartered in Germany, is a leading provider of sample and assay technologies. The company occupies 27 acre campus in the County as its North American headquarters and currently has 580 employees in the County.
5. The company plans to expand its operation in the County by constructing a new 117,000 square foot building at its Germantown campus for use as offices for administrative purposes and a manufacturing facility. The company plans to retain 580 full-time positions and hire additional 90 full-time employees. The total expenditures for construction and equipment purchase are estimated to be \$52,000,000.
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