

Resolution No.: 18-626
Introduced: October 4, 2016
Adopted: October 18, 2016

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsors: County Council at the Request of the Executive

SUBJECT: Maryland Economic Development Assistance Authority and Fund
Loan to assist WeddingWire, Inc.'s expansion in Montgomery County
(\$1,000,000)

Background

1. The County Executive endorses a conditional loan of \$1,000,000 to WeddingWire, Inc. ("WeddingWire") from the State of Maryland under the Maryland Economic Development Assistance Authority and Fund ("MEDAAF"), which is codified as Md. Code Ann., Econ. Dev. §§5-301-5-349.
2. MEDAAF provides conditional grant/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 reimburse for the acquisition or construction of buildings or real estate, and acquisition, construction and installation of machinery, equipment, furnishings, fixtures, leasehold improvements, site improvements, or infrastructure improvements.
3. The County has approved a conditional grant of \$500,000 from the County's Economic Development Fund ("EDF") to assist WeddingWire's expansion in the County (the "County Match") on 10/21/2015. This grant will be funded by supplemental appropriation. Through this grant Montgomery County has met the requirement of financing a part of the costs of the project which is equal to at least 10% of the financial assistance to be provided from MEDAAF as required by the Section 5-319(d) of the Economic Development Article, Annotated Code of Maryland.
4. The State will disburse the MEDAAF loan to WeddingWire upon the State entering a MEDAAF Agreement with WeddingWire and upon the County disbursing its grant. The County is not a party to this MEDAAF Agreement with WeddingWire.
5. WeddingWire, founded in 2006 in Chevy Chase, provides web-based vertical marketplace for wedding industry. Today WeddingWire is the largest online vertical marketplace connecting engaged couples with event professionals with total revenue of \$80 million in 2015. The company employs more than 650 worldwide with over 341 in Montgomery County. The company was recognized as one of America's most promising companies by Forbes in 2014 & 2015.

6. The current lease in Chevy Chase will expire in September, 2016. The company is evaluating sites in the region. After evaluating sites in D.C., Bethesda and Northern Virginia, the company has agreed to renew the lease for the property located at 2 Wisconsin Circle, Chevy Chase, Maryland with a total of 67,000 square feet. The total capital investment is estimated to be over \$3 million and the company plans to add an additional 170 full-time jobs in addition to its current 341 jobs in the County. This relocation/expansion project is consistent with the county's economic development strategic plan.
7. Md. Code Ann., Econ. Dev. § 5-319(d) requires the governing body of the jurisdiction in which the project is located to endorse, by a formal resolution, the granting of the MEDAAF loan for the project.
8. The County has determined that granting the MEDAAF loan for the project is in the best interest of the citizens of the County.
9. The County Executive requests that the Council adopt this formal resolution approving the MEDAAF loan for the project.

Action

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

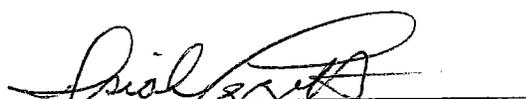
The County Council hereby endorses the granting of the referenced MEDAAF loan for the project.

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

This is a correct copy of Council action.


Linda Lauer, Clerk of the Council

Approved:


Isiah Leggett, County Executive