

# **Montgomery County Economic Development Fund Annual Report**

**For Calendar Year 2019**



**Prepared by  
Department of Finance**

March 2020

## Introduction

The Economic Development Fund (EDF) is a suite of programs that provide financial assistance to businesses located in or relocating to Montgomery County (the County). The purpose of the EDF is to generate economic development activity that would not have occurred without assistance from the public sector. Most of the assistance is awarded to projects that will generate economic benefit to the County through job creation and substantial capital investment in real or personal property. However, the EDF is flexible and houses programs that incentivize economic growth in other sectors that may not be significant job creators immediately. For example, there are programs that incentivize investment in early-stage biotechnology or cybersecurity companies or assist companies experiencing a loss in revenues during construction of a County project.

This report summarizes the activity and performance of each EDF program for the past calendar year, from January 1, 2019 through December 31, 2019. Summary and performance data are dependent on each program’s purpose and is collected through performance documents required by the County’s agreements and may be supplemented through other sources. Each program’s activity and performance data are presented in a separate section to allow readers to more easily digest the information for each program. The total FY20 budget for the EDF programs is \$5,439,361. Any transactions funded since last year’s report are detailed in the appendices.

There are eight active programs currently administered through the EDF, and the table below summarizes the total assistance each program has provided since its inception.

Active Programs	Year Established	Cumulative Assistance Provided
Economic Development Fund Grant and Loan Program	FY 1996	\$48,995,150
Biotechnology Investor Incentive Program	FY 2012	\$2,924,369
Small Business Assistance Program	FY 2013	\$1,009,396
MOVE Program	FY 2014	\$3,566,780
Cybersecurity Supplement Program	FY 2014	\$127,395
Impact Assistance Fund	FY 2017	\$373,672
Microloan Fund	FY 2018	\$350,000
SBIR/STTR Matching Grant Program	FY 2019	\$862,500

The table below identifies previous programs that had been supported through the Economic Development Fund but have become either Inactive or Discontinued. (See Appendix H for additional information.)

Inactive or Discontinued Programs	Year Established	Cumulative Assistance Provided
Emergency Agricultural	FY 1998	\$1,500,000
Technology Growth Program	FY 1999	\$4,055,000
Small Business Revolving Loan Program (SBRLP)	FY 2000	\$2,535,959
Demolition Loan Program	FY 2000	\$100,000
Export Montgomery	FY 2001	\$12,000
Micro-Enterprise	FY 2008	Merged into SBRLP
Equity Investment Program	FY 2013	\$255,000
Bethesda Green - Be Green Incubator Hub (Replaces Green Investor Incentive Program) *	FY 2017	\$250,000

\*This program was funded with one-time dollars in FY2017, but Bethesda Green is still required to provide an annual report based on the terms of the Economic Development Fund Agreement (EDFA), which is included in this document.

### Highlights for 2019

- **Small Business Assistance Program (SBAP)** – The maximum allowed financial assistance to recipients affected by the Wheaton Redevelopment Project was raised from \$75,000 to \$125,000.
- **Impact Assistance Fund** – The area immediately adjacent to the Clarksburg Square Road Extension Project in Clarksburg was added as a designated area for financial assistance to offset the impact of the project.

## **Economic Development Fund Grant and Loan Program (EDFGLP)**

Program Goals: Strategic attraction and retention projects in targeted industry sectors that generate significant economic development benefits in the County.

Program Mechanics: Projects are awarded after a business executes an EDF agreement that stipulates the conditions for grant disbursement and performance. All agreements contain clawback provisions to recapture incentive dollars if a business fails to achieve the expected economic output. The program typically uses total jobs, both retained and created, and capital expenditures as milestones but has flexibility to accommodate projects that generate other types of significant economic development activities. (See Appendices A & B for details.)

### **Six-Year Program Summary**

<b>Approved Projects *</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY2017</b>	<b>FY 2018</b>	<b>CY 2018</b>	<b>CY2019</b>	<b>Total <sup>2</sup></b>
Projects awarded	10	2	8	9	6	4	30
Amount awarded	\$13,005,000 <sup>1</sup>	\$ 180,000	\$4,250,000	\$ 3,250,000	\$1,850,000	\$ 5,165,000	\$ 24,450,000
Projects State partnered with County	3	2	7	9	6	3	21
State leverage per County dollar	\$ 1.83	\$ 1.73	\$ 1.93	\$ 1.92	2.18	\$ 2.83	\$ 2.10
Jobs retained	332	45	1,805	1,343	1,185	504	3,871
Jobs attracted or created	342	188	1,530	827	706	297	3,063
Private capital investment (millions)	\$ 10.0	\$ 12.4	\$ 220.1	\$341.0	\$173.4	\$144.0	\$ 559.9
Award dollars per total jobs	\$1,491	\$ 773	\$ 1,274	\$ 1,498	\$ 978	\$ 613	\$ 1,796
<b>Funded Projects</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>CY18</b>	<b>CY19</b>	<b>Total<sup>2</sup></b>
Number of projects	5	5	7	2	8	6	31
Amount funded	\$375,000	\$ 730,000	\$1,201,691	\$350,000	\$2,431,568	\$1,839,256	\$6,577,515

Total jobs at funding	198	195	803	35	1,504	1,211	3,911
Average salary at funding	\$ 87,200	\$ 92,260	\$ 75,567	\$ 90,500	\$ 112,198	\$ 100,535	\$101,872

\* These are projects that have been approved for a financial incentive, but funds have not yet been disbursed. The logistics and scope of attraction or retention/expansion projects often result in a lapse in time between award approval and funds disbursement. Consequently, projects approved for funding in one year may actually be funded in a subsequent year.

<sup>1</sup> The \$12,000,000 EDF award to ByteGrid had no job creation requirements so that amount is removed from the Award dollars per job calculation number.

<sup>2</sup> The Total column **excludes** FY18 information to avoid double counting of some transactions included in both FY18 and CY18 tabulations.

**EDFGLP Program Outcomes:** Cases are monitored annually after funding and closed once a business achieves the contracted milestones, repays the required penalty, or the Department of Finance forwards the case to the Office of the County Attorney for collection.

### Ten-year Summary of Outcomes (FY 2009 – 2019)

Outcome	Number of Cases	Funded Amount	Recalled Amount <sup>1</sup>	Repaid Amount <sup>2</sup>	Contracted Jobs	Final Jobs <sup>3</sup>	Award Dollars per Final Job
<b>Closed Cases</b>							
Met contracted milestones	5	\$680,000	-	-	1,093	1,656	\$644
Partially met contracted milestones, made repayment	10	\$2,465,000	\$1,360,389	\$1,360,389	2,011	1,222	\$2,017
Did not meet contracted milestones, made repayment	1	\$ 30,000	\$30,000	\$30,000	23	0	N/A
<b>Total Satisfied Cases</b>	<b>16</b>	<b>\$3,175,000</b>	<b>\$1,390,389</b>	<b>\$1,390,389</b>	<b>3,127</b>	<b>2,878</b>	<b>\$1,103</b>

Did not meet contracted milestones, no repayment	8	\$1,878,288	\$1,365,000	-	382	52	N/A
<b>Active Cases</b>							
Monitoring	40	\$33,251,300	-	-	9,567	9,170 <sup>4</sup>	\$3,626 <sup>4</sup>
<b>Total All Cases</b>	<b>64</b>	<b>\$38,304,588</b>	<b>\$2,755,389</b>	<b>\$1,390,389</b>	<b>13,076</b>	<b>12,100</b>	<b>\$3,166</b>

1 - Only includes those EDFAs projects for which the County issued a formal recall notice to the business.

2 - Includes principal and interest.

3 - Final Jobs reflects the number of jobs at the time the EDFA was satisfied or recalled.

4 - For Active Cases, job count reflects the most recent performance reports submitted to date.

## **Make Office Vacancies Extinct (MOVE) Program**

Program Goals: Attract new businesses to the County and reduce vacant Class A and B office space, vacant Flex Space with lab uses, and vacant production space leased by craft alcohol production companies.

Program Mechanics: New businesses to the County can apply for the program after signing a direct lease in commercial space for at least a three-year term, up to a maximum of 20,000 square feet. Upon verification, businesses receive a grant of \$8.00 per square foot leased, for a maximum grant amount of \$80,000.

For Calendar Year 2019, both the IT/Software industry sector and the Healthcare/Medical Services industry sector received the most MOVE grants, with 5 awards in each industry sector (each sector representing 19% of the total grant awards for the year). Based on location, the most MOVE grants were awarded to businesses signing leases in Silver Spring (41%, 11 awards) followed by Bethesda (22%, 6 awards) and Rockville (19%, 5 awards). Additional localities included Gaithersburg (14%, 3 awards), Wheaton (1 award) and Chevy Chase (1 award). (See Appendix C for details.)

### **Program Summary:**

	<b>Report Year 2015</b>	<b>Report Year 2016</b>	<b>Report Year 2017</b>	<b>Report Year 2018</b>	<b>Calendar Year 2018</b>	<b>Calendar Year 2019</b>	<b>Total</b>
Number of awards	18	12	16	26	22	27	121
Amount awarded	\$499,972	\$308,944	\$428,706	\$945,904	\$664,416	\$718,838	\$3,566,780
Square footage leased	77,265	39,450	53,592	123,718	96,024	102,014	492,063

Average lease term (months)	64	69	87	82	72	62	73
Initial jobs <sup>1</sup>	162	53	72	116	82	176	661
Award dollars per initial jobs	\$3,086	\$5,829	\$5,954	\$8,154	\$8,103	\$4,084	\$5,396
Projected three-year job total <sup>1</sup>	405	213	225	442	323	618	2,226
Award dollars per total jobs	\$1,234	\$1,450	\$1,905	\$2,140	\$2,057	\$1,163	\$1,602

1. Job totals are reported by applicant on their application.

## **Biotechnology Investor Incentive Program (BIIP)**

Program Goals: Provide grants to qualified investors for their investment in early-stage biotechnology companies in the County.

Program Mechanics: The grants are awarded to qualified investors who receive a final tax credit certificate from the State of Maryland's Biotechnology Investor Incentive Tax Credit Program. Grants are prorated based on the amount appropriated for the program and portion of an investor's state tax credits compared to the total state tax credits received by all investors of County biotechnology businesses.\* Data is reported on a calendar year basis, instead of the County's fiscal year, because the BIIP is awarded for investments made in the previous calendar year. (See Appendix D for information.)

As of the date of this publication, we are still awaiting State data on Calendar Year 2019 investment awards.

### **Program Summary**

	<b>CY 2014</b>	<b>CY 2015</b>	<b>CY 2016</b>	<b>CY 2017</b>	<b>CY2018</b>	<b>CY 2019</b>	<b>Total</b>
Appropriation	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$3,000,000
Number of businesses	14	12	15	8	7	Not available*	56
Number of investments <sup>1</sup>	59	95	81	60	39	Not available*	334

\* Example: County appropriates \$500,000. Total State tax credits for all investors of County biotechnology companies are \$3,000,000. Investor A received \$180,000 in State tax credits. Investor A will receive a \$30,000 supplement from the County under the BIIP (\$180,000 divided by \$3,000,000 equals 6%. 6% of \$500,000 equals \$30,000).

Total private investment dollars	7,002,711	\$13,579,920	\$11,984,484	\$10,656,092	\$8,970,535	Not available*	\$ 52,193,742
County supplement percent ROI	7.1%	3.8%	4.2%	4.7%	5.57%	Not available*	4.78%
Total ROI, including MD tax credit <sup>2</sup>	57.1%	53.8%	54.2%	54.4%	54.4%	Not available*	54.3%
Total jobs <sup>3</sup>	77	110	130	74	Not available	Not available*	391

1 - Does not represent total number of investors. State tax credits are awarded on a qualified investment basis.

2 - Represents the return on investment for qualified investments into County biotechnology companies based on Maryland tax credit and County supplement. Maryland tax credit is cash refundable when there is no MD tax liability. Information on the total amount of credits statewide was unavailable at the time of this report.

3 - Job data is not reported under this program. Data was collected from Maryland Quarterly Census of Employment and Wages reports, when available.

\*State data on qualifying biotech investments in Montgomery County for 2019 had not yet been received by the date of this report.

Note: As of the date of this publication, we are still awaiting State data on Calendar Year 2018 investment awards.

## **Cybersecurity Supplement Program (CSP)**

**Program Goals:** Provide grants to qualified County cybersecurity businesses for successfully securing financing.

**Program Mechanics:** The grants are awarded to qualified businesses which receive a final tax credit certificate from the State of Maryland's Cybersecurity Investment Incentive Tax Credit Program. Grants are prorated based on the amount appropriated for the program and portion of the businesses' state tax credits compared to the total state tax credits received by all qualified businesses in the County. Data is reported on a calendar year basis, instead of fiscal year, because the CSP is awarded for investments made in the previous calendar year.

	<b>CY 2015</b>	<b>CY 2016</b>	<b>CY 2017</b>	<b>CY 2018<sup>1</sup></b>	<b>CY19</b>	<b>Total</b>
County funding available	\$500,000	\$500,000	\$500,000	\$127,395	Not available*	\$1,627,395
Number of businesses	1	2	3	\$0 *	Not available*	6
Number of investments	1	5	7	\$0 *	Not available*	13
Total private investment dollars	\$100,000	\$1,233,000	\$1,405,000	\$0 *	Not available*	\$2,738,000

<sup>1</sup> For 2018, the state reported no Cybersecurity Investment Tax Credits for Montgomery County Cybersecurity Companies.

\* The State has not yet provided information on any Cybersecurity Tax Credits awarded to Montgomery County-based cybersecurity companies for 2019.



## **Small Business Assistance Program (SBAP)**

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**Program Goals:** Provide technical and financial assistance to small businesses adversely impacted by redevelopment projects that are either funded by the County or are located on County-owned land in an Urban Renewal Area or an Enterprise Zone. Only one project, the Wheaton Redevelopment Project on County Parking Lot #13 in Wheaton, is currently eligible for assistance under the SBAP. When completed, the project will house the Montgomery County Office of Planning, several County departments, street-level retail space and an outdoor plaza.

**Program Mechanics:** The County, through contracted non-profit organizations<sup>1</sup>, provides technical assistance to small businesses that may be adversely impacted by a qualified redevelopment project prior to and during project construction. Small businesses that can demonstrate that they were financially healthy prior to the commencement of a County-related redevelopment project and were adversely impacted by the redevelopment project can be awarded up to \$125,000 in financial assistance. Under the SBAP, the County has made 58 disbursements to a total of 23 companies since inception of the program. Disbursements may occur on a quarterly basis, subject to financial information that demonstrates adverse impact related to construction. Under the SBAP, participation in technical assistance is required prior to receiving financial assistance. (See Appendix E for information.)

### **Program Summary:**

	<b>CY 2017</b>	<b>CY 2018</b>	<b>CY 2019</b>	<b>Totals</b>
Amount disbursed:	\$0	\$514,321	\$495,075	\$1,009,396
Disbursements:	0	32	25	57
New applications approved:	3	14	6	23
Businesses receiving Technical Assistance:	58	57	51	166

<sup>1</sup> For this program, the County utilizes the services of the Latino Economic Development Corporation (LEDC) to provide one-to-one business counseling and seminars (e.g. QuickBooks, Marketing through Social Media, CVRS, etc.). Additional organizations such as the Maryland Small Business Development Center (SBDC), the Greater Washington Hispanic Chamber of Commerce, and the Hispanic Chamber of Commerce of Montgomery County, have also been utilized for specific tasks.

## **Impact Assistance Fund (IAF)**

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**Program Goals:** Provide financial assistance to businesses that are adversely impacted by a redevelopment project initiated by the County, a redevelopment project located on County-owned property, or a redevelopment project constructed by a private entity for use in whole or in part by the County as a public facility which will enable ongoing operations, so that the businesses remain viable enterprises during the redevelopment project and after its completion.

**Program Mechanics:** Financial assistance may be provided to businesses which meet certain eligibility criteria, including being located within a geographic area designated by the County Executive as impacted by County-related redevelopment projects. Currently, there are three designated areas: (1) in Silver Spring in the immediate proximity to the Studio Plaza redevelopment project, (2) on Elm Street in Bethesda in proximity to the Bethesda Metro

redevelopment project, and (3) in the area immediately adjacent to the Clarksburg Square Road Extension Project in Clarksburg. Financial assistance, in the form of a conditional grant, is determined based on the degree of adverse impact resulting from the redevelopment project and the financial health of the business prior to construction. The maximum amount of assistance a business can receive under the program is \$25,000 and only one disbursement is allowed. Only businesses that are currently experiencing adverse impact due to redevelopment projects, as described above, and that are currently in progress, will be eligible under the program. Technical assistance is not a requirement for financial assistance under the IAF. (See Appendix F for information.)

**Program Summary:**

	<b>Calendar Year 2018</b>	<b>Calendar Year 2019</b>	<b>Total</b>
Amount disbursed:	\$175,000	\$198,672	\$373,672
Disbursements:	7	8	15

**SBIR/STTR Local Matching Grant Program**

In 2018, the Montgomery County Council established the Small Business Innovation Research (SBIR) Matching Grant Program, which provides matching funds for businesses that receive federal SBIR and Small Business Technology Transfer (STTR) grants.

Bill 41-17, Economic Development Fund – Small Business Innovation Research and Small Business Technology Transfer Matching Grant Program, allows Montgomery County companies who have been awarded a SBIR or STTR Phase I or Phase II grant from the National Institutes of Health (NIH) and conduct at least 51 percent of its research & development operations in Montgomery County to apply for a local Montgomery County match. Companies may receive a match of 25%, up to a maximum of \$25,000 for a Phase I grant, or a match of 25%, up to a maximum of \$75,000 for a Phase II grant. Companies are eligible to receive a local match once per calendar year, up to a total of five grant awards. (See Appendix G for information.)

**Program Summary:**

	<b>CY 2018</b>	<b>CY 2019</b>	<b>Totals</b>
Phase I Grant Recipients	9	4	<b>13</b>
Phase I Grant Awards amount	\$225,000	\$100,000	<b>\$325,000</b>
Phase I Federal Grant Dollars Leveraged	\$2,361,064	\$1,142,510	\$3,503,574
Phase II Grant Recipients	4	4	<b>8</b>
Phase II Grant Awards amount	\$300,000	\$237,500	<b>\$537,500</b>
Phase II Federal Grant Dollars Leveraged	\$6,031,385	\$6,451,214	\$12,482,599
<b>Total Local Grant Awards (Phase I &amp; II)</b>		<b>21</b>	<b>\$862,500</b>

## **MicroLoan Program**

On April 18, 2017, the Montgomery County Council approved Bill 49-16, creating a County microloan program that would provide loans ranging from \$500 to \$15,000 for County residents needing additional help to start small businesses. The Department of Finance was charged with administering the program through the Economic Development Fund. The Department has contracted with two experienced microloan providers – Life Asset and Latino Economic Development Corporation (LEDC) – to underwrite and monitor the portfolio of microloans generated through the Microloan Program. Funds are disbursed to the providers in \$50,000 increments. To date, the microloan providers have received \$350,000 to fund the program. In total for Calendar Years 2018 and 2019, 125 Montgomery County small businesses have received loans totaling \$384,315, for an overall average loan size of \$3,075.

### **Program Summary:**

	<b>CY 2018</b>	<b>CY 2019</b>	<b>Totals:</b>
<b>Life Asset:</b>			
Total Microloans Provided	50	51	<b>101</b>
Total Dollar Amount Awarded	\$103,798	\$102,200	<b>\$205,998</b>
			Average loan: \$2,040
<b>LEDC:</b>			
Total Microloans Provided	11	13	<b>24</b>
Total Dollar Amount Awarded	\$89,287	\$89,030	<b>\$178,317</b>
			Average loan: \$7,430

\*Life Asset leveraged the funding received from Montgomery County and borrowed \$333,333 from the Federal Small Business Administration (SBA) in order to support more small businesses in the County. Those numbers are not showing in these totals.

## **Bethesda Green Be Green Hub Incubator Program (Formerly the Green Investor Incentive Program GIIP)**

Program Goals: Provide grants to qualified companies in the Bethesda Green Incubator.

Program Summary: Initially established in 2013 as the Be Green Investor Incentive Program, the program was repurposed, as no investor had taken advantage of the program since its inception. The County re-allocated \$250,000 from the GIIP to provide seed funding for the newly formed Bethesda Green Incubator Fund. The Incubator provides additional seed capital.

During 2017, Bethesda Green hired a full-time Managing Director for the Be Green Hub incubator program. As required by the EDF Agreement, Bethesda Green also received additional Incubator funding from the Diana Davis Foundation in the amount of \$150,000. The \$250,000 from the County's EDF was disbursed to Bethesda Green in 2018, who have established a clear process that will yield individual awards of up to \$10,000 from the Economic Development Fund

grant to qualifying companies in an effort to attract and support early stage green technology companies in the County.

As part of the EDFAs, Bethesda Green agreed to make at least \$175,000 of direct investments into member companies at the Be Green Hub (now called the Innovation Lab). Through 2019, Bethesda Green has invested \$75,000 into four of its member companies: DGrid Energy (solar-powered cold chain solutions), GOEFER (plug-load solutions to reduce energy waste), Elysian Holdings (compostable packaging produced from industrial hemp), and Living Canopies (solar-powered irrigation systems to support plant alternative to plastic patio umbrellas). Programming will be expanded to support even more green entrepreneurs at all stages of the business life cycle, from idea stage through Series A and beyond, and high-quality, innovative, Maryland-based technology companies have been identified for potential investment in the first half of 2020.

# **APPENDICES**

## Appendix A: EDFGLP Ongoing and Committed Transactions

Recipient Name	Maximum Funding Amount	Annual Funding Amount	FYs of Funding	Remaining Commitment	Notes
Fishers Lane (HHS)	\$19,500,000	Up to \$1,300,000 for 15 years	FY18 - 32	\$ 15,600,000	Annual amount is based on real property value at Project Site.
Meso Scale Diagnostics*	\$1,670,000	Up to \$167,000 for 10 years	FY14 - 23	≤\$1,169,000	First three years, \$167,000, with remaining incentive to be based on increase in real property values at Project Site, which has yet to be determined
Marriott International, Inc.	\$22,000,000	\$5,500,000 annually for 4 years	FY19-22	\$ 11,000,000	Source of funding For FY19 & FY20 is CIP Funding. Source of funding for FY21 & FY22 will be EDF fund
HMS Host, Inc	\$500,000	\$100,000 annually for 3 years and final payment of \$200,000 in year 10	FY19-28	\$ 300,000	Final payment delayed until 10 <sup>th</sup> year of agreement
<b>Totals</b>	<b>\$43,670,000</b>	<b>\$ 5,600,000</b>		<b>\$ 28,069,000</b>	

\* Maximum funding amounts for this incentive was based upon anticipated increases in assessed valuation of real property taxes.

## Appendix B: EDFGLP Awards since 2019 EDF Annual Report

<b>Recipient Name</b>	<b>Award</b>	<b>Status</b>	<b>Purpose</b>	<b>Industry</b>	<b>Location</b>
Marriott	\$22,000,000	Funded	Retain/Expand	Hospitality and Retail/HQ	Bethesda
Urban One (aka Radio One)	\$100,000	Funded	Retain/Expand	Communications	Silver Spring
Fox Television Stations, LLC	\$500,000	Pending	Attraction	Communications	Bethesda
ViaSat	\$250,000	Pending	Retain/Expand	Communications	Clarksburg
Supernus Pharmaceuticals	\$500,000	Pending	Retain/Expand	Biotechnology	Gaithersburg
Booz Allen Hamilton	\$250,000	Pending	Retention	Consulting Services	Bethesda
Ridgewell's Holding, LLC	\$100,000	Funded	Retention	Hospitality	Bethesda
Autolus, Limited	\$250,000	Pending	Attraction	Biotechnology	Rockville
REGENEXBIO	\$100,000	Pending	Retain/Expand	Biotechnology	Rockville
Datawatch, Inc	\$80,000	Funded	Retain/Expand	Technology/Security	Bethesda
DM Rockville, LLC	\$350,000	Funded	Retention	Hospitality	Rockville
RADA Technologies,	\$100,000	Pending	Attraction	Aerospace/Defense	Germantown
Truebill, Inc.	\$250,000	Pending	Attraction	FIN Tech/IT	Silver Spring
<b>Totals</b>	<b>\$ 25,655,000</b>				

## Appendix C: MOVE Grants Awarded in Calendar Year 2019

Recipient Name	Award Value	Square Feet	Industry	Location	Initial Jobs
NRP Investment Corp	\$19,670	2,470	Real Estate Development	Gaithersburg	5
Parallel World Brewing	\$57,664	7,208	Manufacturing/Production	Silver Spring	1
Steelyard Analytics	\$17,256	2,157	Chemical Testing	Gaithersburg	1
CAM Physical Therapy	\$13,744	1,718	Medical Specialty Services	Wheaton	4
AAIDD	\$46,040	5,755	Non-Profit Association	Silver Spring	13
Michelle Biess, CPA	\$8,640	1,080	Accounting	Silver Spring	0
OJC Consulting	\$13,752	1,719	IT Consulting	Rockville	6
Pioneer Power	\$6,064	758	Energy	Gaithersburg	2
John Driggs Company	\$19,744	2,468	Construction	Bethesda	1
Empower Energies	\$39,376	4,922	Energy	Bethesda	17
Innovative Cell Therapeutics	\$58,320	7,290	Biotech	Rockville	3
Harbor Bank	\$19,840	2,480	Banking/Finance	Silver Spring	0
DBMC Design	\$4,248	531	Architect	Silver Spring	2
Silver Spring Village, Inc.	\$5,464	683	Services	Silver Spring	2
Ampliospeech	\$10,680	1,335	Healthcare	Rockville	1
ITegrity, Inc.	\$11,776	1,472	IT Services	Silver Spring	13
DRB Enterprises	\$80,000	19,621	Construction/Development	Rockville	50
Studio Codeworks	\$20,512	2,564	Software Development	Silver Spring	3
ABCD & Company	\$17,152	2,144	Consultant	Rockville	5
Family Therapy Ctr of Bethesda	\$8,208	1,026	Therapy/Mental Health	Bethesda	2
Bobtail Capital, Inc.	\$19,496	2,437	Financial/Logistics	Silver Spring	2
Defy Aesthetic, LLC	\$9,192	1,149	Healthcare/Personal Care	Bethesda	1
Mytonomy, Inc.	\$52,144	6,518	Information Services	Bethesda	7
Aastha AMDC, Inc.	\$80,000	12,527	Healthcare/Adult Daycare	Silver Spring	8



Durable Capital Partners	\$50,664	6,333	Finance/Investment Mgmt	Chevy Chase	9
Truebill, Inc.	\$22,392	2,799	IT/Software	Silver Spring	14
Virtual Apprentice, LLC	\$6,800	850	Business Info/Virtual training	Bethesda	5
<b>Totals</b>	<b>\$718,838</b>	<b>102,014</b>			<b>176</b>

## Appendix D: List of Biotech Investor Incentive Local Company Recipients

Company Name	# of Investors	Investment Received	County Support to Investors
American Gene Technologies, Inc.	6	\$2,716,000	\$151,385
Cellphire, Inc.	15	\$2,662,382	\$148,397
Creatv MicroTech, Inc.	1	\$25,000	\$1,393
DxNow, Inc.	8	\$735,000	\$40,968
HeMemics Biotechnologies, Inc.	1	\$250,000	\$13,935
Otomagnetics, LLC	1	\$260,000	\$14,492
20/20 Genesystems, Inc.	7	\$2,322,153	\$129,431
<b>Totals</b>	<b>39</b>	<b>\$8,970,535</b>	<b>\$500,000</b>

## Appendix E: List of CY 2019 SBAP Grant Recipients

Company		Total SBAP Funds Received
1.	MJ Business Center, Inc d/b/a Los Taxes	\$49,475
2.	Chicago Bakery Co.	\$11,688
3.	Manalco, LLC T/A Filippo's	\$125,000
4.	Chang & Mi, Inc. d/b/a Moby Dick Seafood	\$71,329
5.	B M Accounting, LLC	\$29,954
6.	Metro Travel, LLC	\$4,000
7.	JJ Tag & Title, LLP	\$28,083
8.	Taxline & Services, Inc.	\$29,587
9.	One Stop Insurance Agency, LLC	\$9,906
10.	Dollar Plus Store # 7, LLC	\$38,853
11.	Zodiac Wireless Express, Inc.	\$106,212
12.	Tex Mex, Inc. / Umberto's	\$125,000
13.	Sandoval and Sandoval, Inc. (Cancun Grill)	\$60,136
14.	Choice Electronics, Inc. d/b/a Choice Tax Service	\$2,947
15.	Filipino Home Baking & Grocery Store, Inc.	\$24,945
16.	Triangle Jewelers & Repair, Inc.	\$29,320
17.	Kantutas Restaurant, Inc.	\$49,436
18.	E-Solutions LLC	\$20,441
19.	Graciano & Associates LLC	\$37,385
20.	11250 Nail Perfection Inc.	\$46,825
21.	Asesoria Americana & Taxline Services, Inc.	\$47,937
22.	Edoh Ameduite	\$34,218
23.	Thor Enterprises, Inc.	\$39,600
<b>TOTAL:</b>		<b>\$1,022,277</b>

## Appendix F: List of CY 2019 IAF Grant Recipients

<b>Company</b>		<b>Total IAF Funds Received</b>
1.	Zed's Office Café, Inc.	\$25,000
2.	8131 Georgia Avenue, LLC	\$25,000
3.	Wesenyesh International Markets Inc.	\$25,000
4.	Solo & AD Inc. d/b/a Abyssinia Restaurant	\$25,000
5.	Olazzo Inc.	\$25,000
6.	Tailoring and Alterations Center, Inc.	\$25,000
7.	Semu, LLC	\$25,000
8.	Urban Winery, LLC	\$25,000
9.	Lesaac, Inc.	\$25,000
10.	Gusto Bethesda LLC	\$25,000
11.	Khalil and Sardini LLC d/b/a Tropical Smoothie Café	\$25,000
12.	Adulis Enterprises LLC d/b/a Adulis MCS	\$25,000
13.	All African Food Stores, LLC	\$25,000
14.	Bethlehem Yousef-Adane d/b/a Soliz	\$25,000
15.	Jaha Hair Studio, LLC	\$23,672
<b>TOTAL:</b>		<b>\$373,672</b>

**Appendix G: List of CY 2019 SBIR/STTR Matching Grant Recipients**

<b>Recipient Name</b>	<b>Phase I or II</b>	<b>Award Amount</b>	<b>Location</b>	<b>Federal Grant Award</b>
Intelligent Automation	II	\$75,000	Rockville	\$1,499,993
Trophogen, LLC	II	\$75,000	Rockville	\$1,460,767
Otomagnetics	II	\$75,000	Gaithersburg	\$1,999,787
Sanaria, Inc.	I	\$25,000	Rockville	\$295,891
Rise Therapeutics, LLC	I	\$25,000	Rockville	\$299,931
Potomac Affinity Proteins	II	\$12,500	Rockville	\$1,490,667
Creative BioPeptides, Inc.	I	\$25,000	Potomac	\$321,800
Weinberg Medical Physics, Inc.	I	\$25,000	North Bethesda	\$224,888
<b>TOTAL:</b>		<b>\$337,500</b>		<b>\$7,593,724</b>

## Appendix H: Summary Description of Inactive EDF Programs

### Equity Investment Program

Program Goals: Provided equity investments to select businesses. This program was used in lieu of a traditional EDFGLP agreement when projects could not yield traditional performance milestones.

Program Mechanics: The County executed closing documents for an investment round issued by the business. The business was required to remain in the County for an agreed upon term, and in the event of a successful exit, the County received its investment and a prorated portion of the valuation increase.

Program Summary: The County invested in three businesses in FY 2014 for a total of \$255,000. ReelGenie, LLC received an investment of \$55K. The company was liquidated in December 2014. The County received \$3,525.27 on its investment. MobileSystems LLC received an investment of \$100K. The County did not continue to invest in follow-on funding and thus remained in a junior position to other investors. In April 2016 the assets of the company were sold. The County received \$0 on its investment. CytImmune received an investment of \$100K. The company currently remains in operation in Montgomery County.

### Technology Growth Program (TGP)

Program Goals: Provided grants to early stage technology businesses.

Program Mechanics: Each business was required to execute a TGP Agreement that would require repayment, if and only if, the business achieved certain investment or revenue thresholds. If those thresholds were not met, the grant would be forgiven.

The TGP is inactive and no longer funding companies; the final year for awards was FY 2012. All open TGP cases were closed in 2016, so the data provided below is a summary for the program.

### Program Summary (FY 2001 – 2016)

Outcome	Recipients	Award Amount	Private Funding	Repaid Amount
Grant forgiven	45	\$2,345,000	\$10,630,250	\$0
Grant Repaid	21	\$1,285,000	\$26,674,510	\$1,187,693
Forwarded to Collection	6	\$425,000	\$6,187,170	\$0
<b>Totals</b>	<b>72</b>	<b>\$4,055,000</b>	<b>\$43,491,930</b>	<b>\$1,187,693</b>

## Small Business Revolving Loan Program (SBRLP)

**Program Goals:** Provided financing for Montgomery County small businesses that lacked access to traditional funding sources (e.g. banks).

**Program Mechanics:** Each business was required to execute a loan agreement that detailed the term and repayment conditions of the loan. In addition, recipients had to execute a personal guarantee in the event of default.

The SBRLP is inactive and no longer funding companies. The MicroLoan Program was established to provide an alternative small business financing option. The final year for awards was FY 2015. The data provided below is a summary for the program.

### Ten-year Summary of Outcomes (Report Years 2010 - 2019)

Outcome	Number of Cases	Loaned Amount	Outstanding Balance	Repaid Amount <sup>1</sup>	Written-off Amount	Current Jobs <sup>2</sup>
<b>Closed Cases</b>						
Fully paid-off	13	\$624,000	-	\$624,000	-	121
Partial Repayment – Written off	8	\$348,000	-	\$64,090	\$283,910	24
Full write-off	15 <sup>3</sup>	\$980,714	-	-	\$980,714	6
<b>Active Cases</b>						
Still open	1	\$100,000	\$16,603	\$83,397	-	15
<b>Total All Cases</b>	<b>37</b>	<b>\$1,844,008</b>	<b>\$16,603</b>	<b>\$771,487</b>	<b>\$1,264,624</b>	<b>167</b>

1 - Includes interest and loan fees

2 - Data was collected from Maryland Quarterly Census of Employment and Wages reports, when available.

3 – Nine loans have been inactive for over one year and will be reviewed with OCA for further action to resolve delinquencies.

**Chart 1: Budgeted Funds by EDF Program for FY 2020**

**ECONOMIC DEVELOPMENT FUND PROGRAMS  
\$5,439,361**

