

Resolution No.: 16-355  
Introduced: October 23, 2007  
Adopted: October 30, 2007

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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By: County Council at the request of the County Executive

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**SUBJECT:** \$200,000 Maryland Economic Development Assistance Authority and Fund  
Loan to assist Novavax, Inc.'s Relocation to Montgomery County

**Background**

1. The County Executive endorses a conditional loan of \$200,000 to Novavax, Inc. ("Novavax") from the State of Maryland under the Maryland Economic Development Assistance Authority and Fund (MEDAAF), which is authorized by Sections 5-1401 through 5-1412 of Article 83A, Annotated Code of Maryland.
2. MEDAAF provides conditional loans to businesses engaged in eligible industries locating or expanding in a "priority funding area" in the State of Maryland. Proceeds of the loan may be used by the borrower to cover leasehold improvements and/or relocation expenses associated with personnel and/or the physical relocation of the borrower's operations.
3. Novavax has relocated its operations from Pennsylvania to Rockville, Maryland. Novavax is leasing approximately 51,000 square feet of space at 9920 Belward Campus Drive in Rockville (the "Facility") for use as offices, lab space and a manufacturing facility. Expenditures for tenant improvements and the purchase of new equipment are estimated to be at least \$6,900,000 by the end of 2009. Novavax plans to hire at least 100 new, full-time employees to be located at the Facility by the end of 2010. Novavax has also committed to retain at least 100 employees at the Facility through the end of 2013.
4. The County Council has approved conditional grants totaling \$200,000 from the County's Economic Development Fund (EDF) to assist Novavax's relocation. Novavax has satisfied the criteria for the initial disbursement of these grant funds and the County has accordingly disbursed the first \$100,000 conditional grant to Novavax. The second conditional grant for \$100,000 will be disbursed to Novavax by the County when Novavax satisfies the job creation criteria noted above.
5. The proceeds of the State's conditional loan will be used to reimburse Novavax for eligible project costs of acquisition, installation, and relocation of furniture, fixtures, machinery, equipment, and leasehold improvements associated with relocation of its operations to Rockville, Maryland.

6. Section 5-1405, Article 83A, Annotated Code of Maryland, provides that Montgomery County must endorse the granting of a MEDAAF loan for the project.
7. The County has determined that it is in the best interest of the citizens of the County that the County should endorse the granting of the MEDAAF loan for the project.
8. The County Executive requests endorsement of the MEDAAF loan by the County Council.

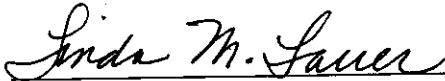
**Action**

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

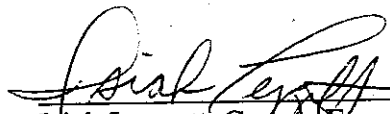
The County Council fully endorses the State of Maryland's \$200,000 MEDAAF loan for the purpose of assisting Novavax with its costs associated with relocation of its operations to Rockville, Maryland.

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

This is a correct copy of Council action:

  
Linda M. Lauer, Clerk of the Council

APPROVED:

  
Isiah Leggett, County Executive