



Montgomery County Economic Development

2nd Quarter 2017 Highlights Office of the County Executive

The 2nd quarter of 2017 saw the launch of the new Montgomery County Business Portal that ties together all County services for businesses and a corporate headquarters expansion and relocation within the County. In addition, the County saw the expansion of several biotech companies along with newcomers to both Rockville and Germantown incubators as well as a new enterprise zone designation in the East County.

This summary is a compilation of work across departments and partner organizations to advance Montgomery County's economic vitality. It is structured according to the four overarching goals of economic development in Montgomery County as outlined in the [Comprehensive Economic Strategy](#)—**Business Vitality, Talent, Creative Economy/Entrepreneurship**, and **Placemaking**. For more information and to read the strategy visit www.montgomerycountymd.gov/ep.

Lily Qi, Assistant Chief Administrative Officer, Economic & Workforce Development

Business Vitality

Growing quality jobs and building a strong tax base remains a top priority for Montgomery County government and leadership.

Jobs by the Numbers

- Montgomery County resident employment increased by 10,900 jobs from May 2016-2017.
- The Unemployment Rate remains low at 3.2% compared to 3.1% at last year this time.

Making It Easier To Do Business in Montgomery County

- **Montgomery County Business Portal.** The office of the County Executive launched the new [Montgomery County Business Portal](http://www.montgomerycountymd.gov/biz), an integrated Web portal that serves as a gateway to County government services and information for doing business in Montgomery County. The portal is modeled after best practices and based on input from an extensive survey in 2016 on improving government services for businesses (Read the results and recommendations of the survey [here](#)). Integrating information from multiple County departments, the business portal is a single point of entry that aims to further streamline County services and operations for businesses. The new business portal can be accessed at www.montgomerycountymd.gov/biz.
- The County Executive's Economic Advisory group (CEEAG) released its [regulatory reform report](#), which highlights progress to date by the County government to reduce barriers to doing business in Montgomery County and recommended actions for further improving the business regulatory environment. The report is in response to insights from the CEEAG's Regulatory Reform Sub-committee and from a "customer satisfaction" survey sent out to Montgomery County businesses. The report can be accessed at <http://www.montgomerycountymd.gov/ep>.
- The County Council approved budget to add a new **Business Solutions team** to the Office of the County Executive in fall 2017 to further improve business communication and services. The team will focus on communication of new regulations and information applicable to businesses, problem-solving and outreach to the business community.

Highlighting Business Success and Vitality

Biotech and corporate and regional headquarters, two of the target industries highlighted in the Comprehensive Economic Strategy, have seen robust and steady growth in the 2nd quarter.

- **JBG SMITH**, the new publicly traded real estate investment trust formed from the merger of the Chevy Chase-based JBG Companies and the Arlington-based Vornado Realty Trust, will locate its new corporate headquarters in Downtown Bethesda (4747 Bethesda Ave. in Bethesda), which has seen a growing number of corporate headquarters including Marriott International. This is a major win for the County and the Montgomery County Economic Development Corporation's retention efforts with significant economic impact including over 400 retained, attracted and new jobs in the headquarters office and a capital investment of \$146.8 million for a new class A office building to be built by JBG.
- The County Executive and the Economic Development Corporation team **visited local Montgomery County companies**. Site visits in Q2 2017 included [Coakley Williams](#) (a Bethesda-based construction and general contracting agency), [Dataprise](#) (a Rockville-based IT services company), [KoolSpan](#) (a Bethesda-based company that provides businesses with secure communications tools), and [EMMES](#) (a Rockville-based clinical contract research organization). Upcoming visits include [Hughes Communications](#) (a Germantown-based satellite communications company) and [Patton Electronics](#) (a Gaithersburg-based telecom manufacturing company).
- **GlaxoSmithKline PLC** is investing \$139 million to expand its Rockville offices where it is anticipating increased demand for its Lupis drug. The company chose Rockville as one of its three global headquarters for vaccine R&D after acquiring the Human Genome Sciences.
- **Salubris Bio**, a subsidiary of China-based Salubris Pharmaceutical and a Fortune 200 Asia company, opened its Gaithersburg research and development lab at 45 West Watkins Road. The new Montgomery County lab is Salubris' first US-based location and will focus on cancer and cardiovascular therapeutics. Lieutenant Governor of Maryland Boyd Rutherford, County Executive Ike Leggett and the Council's Chair for the Planning, Housing and Economic Development (known as PHED Committee) Nancy Floreen attended the ribbon-cutting.

- **Smithers Avanzar**, a contract research organization based in Gaithersburg, has just expanded its Bioanalytical lab in Montgomery County for the second time in two years. The growing demand for bioanalytical work has driven much of its growth in recent years.
- **Biologics Consulting**, a biotech services company based in Alexandria, Virginia, now has a presence in downtown Rockville to be closer to its many clients in Maryland.
- The **Montgomery County Chamber of Commerce** has rolled out a new advocacy initiative for midsize companies to address the challenges they face with respect to federal contracting. Current federal policies put midsize companies at a disadvantage by requiring businesses that reach \$38.5 million in revenue to compete with the largest enterprises with over \$500 million in revenue, causing many federal government contracts out of reach for the growing businesses. The Initiative focuses on a set of recommendations from regulatory to legislative that would give midsize companies a more equitable shot at federal contracting opportunities.
- Congratulations are in order for Dusty Rood, new chair of the Montgomery County Chamber of Commerce, which hosted its 58th annual dinner highlighting local business and education leaders. Among those recognized at the dinner were David Nguyen, CEO of United Solutions who received the Chairman's Award, and Norman Augustine, a retired chairman and CEO of Lockheed Martin who received the Business Advocate of the year award. Other honorees included Montgomery College President DeRionne Pollard who was awarded the Public Sector Partner of the Year and Dr. Martine Rothblatt of United Therapeutics Corporation, who received the Visionary Award.
- Montgomery County businesses were well represented at the annual **Tech Council of Maryland's Industry Awards Celebration**. **Senseonics**, a Germantown-based medical technology company that focuses on design and development of new technology for people with diabetes, won Life Science Company of the Year. **Daniel Abdun-Nabi**, CEO of Gaithersburg-based Emergent BioSolutions won CEO of the year and **Molly Hill Patten** of Bethesda-based Aledade, Inc. won Financial Executive of the year.

The Montgomery County Economic Development Corporation has officially moved into its new home at 1801 Rockville Pike 3rd floor, co-locating with WorkSource Montgomery and VisitMontgomery, two partner organizations tasked with workforce development and tourism, respectively. MCEDC currently has 12 staff including a new director of minority and small business development.

- MCEDC is managing a pipeline of over 50 **active projects in retention, expansion, recruitment and strategic initiatives**. The majority of these projects are in life Sciences, technology, and corporate headquarters, consistent with the target industries and sectors outlined in the Comprehensive Economic Strategy. The business development team is also working with businesses in the industries of hospitality, professional services, real estate, engineering, media and construction.
- The MCEDC and the Capital Region's economic development partners from DC, Arlington, and Prince George's **hosted a Chinese investor delegation** on a Regional Cruise as a prelude to the SelectUSA Investment event hosted by the U.S. Department of Commerce. At SelectUSA, international companies interested in doing business in the U.S. were encouraged to consider Montgomery County as the place to do business.
- A series of **marketing efforts** are underway to highlight Montgomery County's unique advantages as a place to do business. Significant media buys include the National Public Radio, the Washington Business Journal, and the Reagan National Airport. A new campaign called Montgomery 365 was launched this summer that includes a series of videos and print materials highlighting 365 reasons to do business in Montgomery County.
- County Executive Ike Leggett **appointed Carmen Larson**, CEO of Aquas, Inc., to fill the remaining term of another board member, and appointed the four one-year term board members to the full term of three years. The EDC just held another election with Bob Buchanan, Chair of The 2030 Group, as chair of the board and Terry Forde, CEO of Adventist Health, as Vice Chair.

Global MoCo: The County Executive's Delegation to South Korea and China

County Executive Leggett will be leading **a trade and sister-city mission to South Korea and China as part of the Sister Cities program from October 20-29th** of this year. The delegation will travel to Daejeon, South Korea where the County Executive will sign a Sister City agreement as well as Seoul, the capital of South Korea. In China, the delegation will be visiting Xi'an, one of the County's four existing Sister Cities and then on to Shanghai. The delegation is open to all interested parties who live or work in Montgomery County and is a fantastic way to experience cultures, connect with other delegation members and explore international business opportunities. Businesses interested in the mission may also qualify for the

State of Maryland's Export Assistance Program to offset the costs of traveling abroad. For more information or to reserve a space, contact Diane Vu at diane.vu@montgomerycountymd.gov or visit the Montgomery County Sister Cities website www.montgomerysistercities.org. Space is limited so act soon!

Advancing Green Economy

- The **Department of Environmental Protection** celebrated the completion of the first Commercial Property Assessed Clean Energy (C-PACE) financing project in Maryland. This type of financing allows Montgomery County building owners to make clean energy upgrades and improve property value without upfront capital costs.
- **Montgomery County Green Bank (MCGB)** [announced](#) the appointment of **Tom Deyo** as the first Chief Executive Officer of MCGB (the nation's first local Green Bank). The green bank's focus is to develop markets in energy efficiency and renewable energy financing to support the growth of clean energy jobs and new business opportunities, and the reduction of greenhouse gas emissions. More info is available at www.montgomerycountymd.gov/green.
- The **Green Business Forum** was held and provided multiple ways businesses can modernize and enhance transit benefits for employees, reduce spending and shrink environmental footprints.

Talent

WorkSource Montgomery was spun out of the former Department of Economic Development to be a convener and coordinator of all workforce development related programs and resources. It has focused on developing career pathways for job seekers and meeting the demand of job creators.

- **Summer RISE**, a new program which seeks to enrich local students with a summer career development experience, officially began on July 10. Led by WorkSource Montgomery (WSM) in collaboration with MCPS, RISE offers rising Juniors and Seniors a placement with a local agency aligned with their career interests. Students earn a stipend and are also taught financial literacy and other professional development skills. RISE **has secured 100% participation with MCPS schools** and has enrolled 450 students for the 2017 program.

- WorkSource Montgomery has continued to focus on **Industry Alliances and partnerships**. Recently, WSM has established several new programs including a nursing acceleration program funded by an EARN grant, a cyber-IT partnership with Montgomery College, a Green Infrastructure specialist certification partnership with the Montgomery County DEP, a construction partnership with American Building Contractors, and a Post-Doc program with Bio-Health Innovation (BHI) and the National Institutes of Health.
- As of the end of June, **WorkSource Montgomery has served 15,041 customers** at its job centers in Wheaton, Germantown, and Silver Spring, a 20% increase over the previous year. A total of 852 individuals have or are currently participating in jobs skills training/certification and 752 have entered the workforce.
- In partnership with the Maryland Department of Labor, **WorkSource Montgomery has expanded its incumbent worker program** for businesses looking to provide additional skills for their current employees. Training funds are provided to businesses looking to increase employee productivity, upgrade the skills of current employees, and create opportunities for expanding their existing workforce.

Creative Economies (Entrepreneurship)

- The County Council approved new legislation which makes it **easier to start and operate a brewery** in Montgomery County. Craft breweries will **now** be able to sell directly to local stores without having to go through the Department of Liquor Control or another distributor. In addition, new zoning legislation and increases in the quantity of beer that can be sold will make it easier to operate in the County.
- **Biohealth Innovation Inc. (BHI)**, a public-private partnership to advance biomedical research commercialization has welcomed five new companies to the two incubators it is now managing for the County—the Rockville Innovation Center and the Germantown Innovation Center. These include *Cryquent*, a start-up that is developing mobile technology platforms to better connect doctors and patients. Other new entrants include *Akan Biosciences*, a firm that is developing technology to isolate and culture adult stem cells for treatment of arthritis. BHI's incubators and their member companies have also been recognized for their innovations, growth, and success.

- **Leverege**, an internet of things company with a headquarters at the Germantown Innovation Center won the **Maryland Incubator Company of the Year** award in the Software Category. Montgomery County incubators had four finalists for the Maryland Incubator Company of the Year Awards between the Germantown and Rockville Innovation Centers – **Leverege, Seraxis, Speak Agent, and Reveragen Biopharma**.
- Governor Hogan announced that his administration is **launching a new statewide economic strategy, “[Excel Maryland](#),”** which will focus on the creation of strategies to accelerate growth in life sciences and cybersecurity startups. The initiative will bring together leaders in the private and public sectors, as well as academic experts to develop the comprehensive strategy. A report will be produced by the end of August which will serve as a roadmap to advancing the State’s goals of promoting a healthy entrepreneurial environment.

Placemaking and Smart Growth

Building Vibrant and Attractive Destinations

Downtown Bethesda. The County Council has approved an amended plan for downtown Bethesda, which will guide development for the next 20 years. Plans include new incentives to build and retain existing low income housing as well as the development of new parks and green spaces. Any new development in the area must also now include at least 15 percent Moderately Priced Dwelling Units (MPDUs), increased from 12.5 percent. In addition, the plan approves the construction of Marriot International’s new Global Headquarters at 7750 Wisconsin Ave.

Wheaton Revitalization Project. Montgomery County Department of Transportation (MCDOT) continues to work towards the completion of the Wheaton Revitalization Project. The project broke ground on June 4th, 2017 and construction activity in preparation for drilling of the geothermal wells has begun.

MCDOT has launched a dedicated website www.wheatonproject.com to provide regular updates to the public on the progress of this project, which is expected to complete by second

quarter of 2020 and Maryland National Park and Planning Commission (M-NCPPC) and MCDOT Departments are expected to move in by the third quarter 2020.

White Oak Science Gateway. Significant progress has been made in transforming the White Oak area into a global hub for innovation to advance biomedical R&D while also creating a regional destination where residents can live, work, and play.

- Washington Adventist Hospital has continued construction of its new White Oak location and expect to be ready for service within two years. In addition, plans are moving forward for the hospital parking garage and medical office building, with construction expected to launch by the end of 2017.
- The Duffie company based in East County has demolished the old Duffie office building to make room for a new 100-room Hilton Home2Suites on New Hampshire Avenue as part of White Oak revitalization.
- White Oak, Maryland was featured as one of the global innovation hubs at the 2017 BIO International Convention in San Diego, California. The White Oak Science Gateway, or Viva White Oak, was presented to an international audience of bioscience leaders and investors.
- Adding to the East County revitalization toolbox is a new enterprise zone. The Maryland Department of Commerce has designated nearly 230 acres in the Burtonsville/Briggs Chaney area (along US 29) as an “**Enterprise Zone**.” Adding to the existing enterprise zones in Glenmont and Takoma Park areas, the new zoning will provide property and income tax credits to businesses that create jobs, make capital investments, and spur development in the region.
- A celebration was held for the start of construction in Hillandale Local Park, located adjacent to FDA headquarters, where plans for development are expected to be completed by spring 2021.
- The new [White Oak Website](http://www.montgomerycountymd.gov/exec/wosg) was launched and serves as a portal to communicate any developments, upcoming events, and meetings. More information can be found at www.montgomerycountymd.gov/exec/wosg.

Watkins Mill Interchange. Montgomery County Executive Ike Leggett joined Maryland Governor Larry Hogan and other local officials and business leaders to announce the start of

construction of the \$97.71 million I-270 interchange project at Watkins Mill Road. This major congestion relief project will improve one of Maryland's most heavily traveled roadways in Montgomery County, benefiting tens of thousands of travelers who drive the I-270 corridor.

Bus Rapid Transit (BRT) The Montgomery County Department of Transportation (MCDOT) and the Maryland Department of Transportation (MDOT) have been planning for the Veirs Mill Road, Route 355, and US 29 bus rapid transit (BRT) routes.

- The Veirs Mill Road BRT study is nearing a major milestone that will complete the planning phase for the project this summer.
- The MD 355 project has completed a Conceptual Alternatives Report, and leadership for the project has been transitioned to MCDOT for the next project phase.
- Design on the US 29 BRT project "Flash" continues to move forward with plans to have the line running by late 2019/early 2020.

Affordable and Workforce Housing

- **Montgomery County Homeownership Program** – The Montgomery County Department of Housing and Community Affairs (DHCA) and the Maryland Department of Housing and Community Development (DHCD) are working together to design a new down payment assistance program to start later in 2017. The new Montgomery County Homeownership Program will provide \$1 million for use by the State to make closing costs and down payment assistance loans to first-time moderate-income homebuyers to purchase a Montgomery County home as their primary residence, up to a certain sale price. County Executive Leggett pushed for the establishment of this program to mitigate barriers to homeownership. These zero-interest loans are being used for modestly-priced homes that cost up to \$429,000, and, in certain neighborhoods, for homes that cost up to \$525,000. The loans are to be repaid upon the sale of the home. All of the funds were committed by the State in the first month of the program.
- **Moderately Priced Dwelling Unit (MPDU) Program** – Montgomery County's premier affordable housing program continues to create new affordable rental and for-sale units for moderate income households. New rental developments opened up this year in six properties located in Bethesda, Rockville and Silver Spring that added 264 new rental MPDUs. In addition, DHCA entered into an agreement with a rental property in North Bethesda to preserve 40 rental MPDUs that had reached the end of their MPDU

covenants. Without DHCA's efforts, the rents on these 40 rental units would have increased significantly for the existing tenants.

Other News:

- **The County Department of Permitting Services (DPS)** is continuing to work with the community, PEPCO, and others to develop a plan to address dangerous electrical conditions in the **Water's Landing** community. DPS has made a preliminary assessment of homes that are in greatest need and will also be meeting with smaller groups of residents to discuss a strategy.
- The Office of Procurement, in conjunction with the Office of County Attorney, the Department of Finance, Division of Risk Management, and the Department of Health and Human Services, has developed new letter contracts which can be used to **process community grants**.
- The **Maryland Tech Council** (formerly the Tech Council of Maryland) has a new chief, Tami Howie, who was the head of the Chesapeake Regional Tech Council before its merger and became part of the Maryland Tech Council. Tami has extensive background in helping tech businesses and entrepreneurs scale up or go public.

To contribute content or for more information, please contact:

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Visit www.montgomerycountymd.gov/ep for more information on Montgomery County's economic priorities.

For 2016 Economic Development Highlights and the 1st Quarter 2017 Economic Development Highlights, please visit our Economic Priorities Web site at www.montgomerycountymd.gov/ep.

