

County Council of Howard County, Maryland

2020 Legislative Session

Legislative Day No. 9

Resolution No. 92-2020

Introduced by: The Chairperson at the request of the County Executive

A RESOLUTION endorsing the provision of financing by the State Department of Commerce for an economic development project in Howard County and certifying that the project is consistent with the County's goals for economic development.

Introduced and read first time June 1, 2020.

By order Diane Schwartz Jones
Diane Schwartz Jones, Administrator

Read for a second time at a public hearing on June 15, 2020.

By order Diane Schwartz Jones
Diane Schwartz Jones, Administrator

This Resolution was read the third time and was Adopted , Adopted with amendments , Failed , Withdrawn , by the County Council on July 6, 2020.

Certified By Diane Schwartz Jones
Diane Schwartz Jones, Administrator

Approved by the County Executive July 7, 2020

Calvin Ball
Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment

1 **WHEREAS**, the Department of Commerce of the State of Maryland (the “Department”) has
2 been asked to assist in the financing of a project in Howard County through the Department’s
3 Maryland Economic Development Assistance Authority and Fund (“MEDAAF”); and
4

5 **WHEREAS**, the completion of the project described in this Resolution has strong potential for
6 expanding or retaining employment opportunities within the County; and
7

8 **WHEREAS**, the County Executive and County Council have determined that it is in the
9 best interests of the citizens of the County that the Department provide the MEDAAF financial
10 assistance described in this Resolution; and
11

12 **WHEREAS**, in accordance with the provisions of Title 5, Subtitle 3 of the Economic
13 Development Article of the Annotated Code of Maryland, the Department requires that the
14 governing body approve a resolution endorsing the financial assistance being given by the
15 Department for the project described in this Resolution.
16

17 **NOW, THEREFORE, BE IT RESOLVED** by the County Council of Howard County,
18 Maryland, this 6th day of July, 2020, that Howard County hereby endorses the
19 Department providing the MEDAAF financial assistance described below for the following
20 project:
21

22 A \$300,000 Maryland Economic Development Assistance Authority and Fund
23 (MEDAAF) conditional loan from the Maryland Department of Commerce to support the
24 expansion and relocation costs of Mosaic Learning Inc., a web based educational
25 platform company headquartered in Howard County, which may include the costs of land
26 acquisition, construction or installation of machinery, equipment, fixtures, leasehold
27 improvements or infrastructure improvements at its new location at 7055 Samuel Morse
28 Drive, Columbia Maryland 21046.
29

30 **BE IT FURTHER RESOLVED** by the County Council of Howard County, Maryland, that
31 it hereby certifies that the project is consistent with the County’s goals for economic
32 development.



**HOWARD COUNTY
MARYLAND**
Economic Development Authority

MEMORANDUM

To: Lonnie Robbins
Chief Administrative Officer

From: Lawrence F. Twele
Chief Executive Officer

Re: Testimony Council Resolution

Date: April 27, 2020

Testimony in support of Council Resolution, endorsing the financing by the State of Maryland Department of Commerce for economic development projects in Howard County and certifying that the project is consistent with the County's plan for economic development.

The Howard County Economic Development Authority supports and urges the passage of Council Resolution CR _____ which is related to assisting businesses as they expand or locate in Howard County, Maryland. The bill is being submitted to the Council pursuant to Title 5, Subtitle 3 of the Economic Development Article of the Annotated Code of Maryland the ("ACT"), which requires that the County approve a resolution endorsing the financial assistance being given by the Department for the project described in the Resolution.

The project:

A \$300,000 Maryland Economic Development Assistance Authority and Fund (MEDAAF) conditional loan from the Maryland Department of Commerce to support the expansion and relocation costs of Mosaic Learning Inc., a web based educational platform company headquartered in Howard County, which may include the costs of land acquisition, construction or installation of machinery, equipment, fixtures, leasehold improvements or infrastructure improvements at its new location at 7055 Samuel Morse Drive, Columbia Maryland 21046.

Please feel free to contact me or Vernon Thompson at 410-313-6510 should you have any questions.

cc: Calvin B. Ball, County Executive
Gary W. Kuc Esq, County Solicitor
Vernon J. Thompson, EVP EDA



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cc: Calvin B. Ball, County Executive
Gary W. Kuc Esq, County Solicitor
Vernon J. Thompson, EVP EDA

Office of the County Auditor
Auditor's Analysis

Council Resolution No. 92-2020

Introduced: June 1, 2020

Auditor: Edward Shulder

Fiscal Impact:

This Resolution endorses financial assistance, totaling \$300,000, to be provided by the State to Mosaic Learning, Inc., (the Company) as required by State law. As also required by State law, the County, through the Howard County Economic Development Authority (the Authority), will provide a \$50,000 workforce training grant to the Company. State law requires that local jurisdictions match at least 10 percent of the funding provided by the State.

Adoption of this resolution may increase County revenues from increased property taxes resulting from the Company's capital improvements and expansion. County revenues may also increase due to increased income tax revenue generated by additional full-time employees. The amount of any such increases cannot be determined at this time.

Purpose:

Council Resolution 92-2020 requests the endorsement of a \$300,000 Maryland Economic Development Assistance Authority and Fund (MEDAAF) conditional loan to Mosaic Learning, Inc., to support the Company's expansion and relocation costs. The loan and other financial related assistance are detailed in an agreement between the State Department of Commerce, the Authority, and the Company dated October 3, 2019.

Section 5-319 of the Economic Development Article of the Maryland Annotated Code requires the County to endorse financial assistance to be provided to Howard County businesses from the Fund by resolution and provide certain financial assistance.

Other Comments:

The agreement with Mosaic Learning, Inc., states that the Authority may also provide a \$500,000 loan to Mosaic Learning, Inc., for flexible working capital purposes.

Per the agreement with Maryland Department of Commerce, Mosaic Learning, Inc., has projected the following because of the relocation and expansion to Columbia:

- Capital investment of \$430,000
- Retention of 45 permanent full-time employees
- Increase in staff of 100 permanent full-time employees (total of 145 full-time employees) by 2022