

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

2015 Legislative Session

Resolution No. CR-69-2015

Proposed by The Chairman (by request – County Executive)

Introduced by Council Members Turner, Lehman, Franklin, Davis, Glaros and Taveras

Co-Sponsors _____

Date of Introduction November 3, 2015

RESOLUTION

1 A RESOLUTION concerning

2 Loans to A.M. Briggs, Inc., a subsidiary of Sysco Corporation (“A.M. Briggs”), from the
3 Maryland Economic Development Assistance Fund (“MEDAF”) and Prince George’s County,
4 Maryland (the “County”)

5 For the purpose of endorsing a loan not to exceed two hundred thousand dollars (\$200,000) to
6 A.M. Briggs from the Maryland Department of Business and Economic Development’s
7 (“DBED”) MEDAF program which, in conjunction with the conditional loan from the County’s
8 Economic Development Incentive Fund (“EDI Fund”) not to exceed eighty five thousand dollars
9 (\$85,000), will be used for eligible project costs associated with a new facility in the County, and
10 capital expenditures.

11 WHEREAS, the Maryland Department of Business and Economic Development (“DBED”)
12 and the Prince George’s County Economic Development Corporation (“EDC”) have issued a
13 joint proposal letter to Metropolitan Meat, Seafood and Poultry, Company, a division of A.M.
14 Briggs, Inc., dated November 6, 2014, outlining a non-binding expression of intent to offer
15 incentives for its expansion project, copy attached as Exhibit “A” and incorporated herein by
16 reference, to provide a loan in an amount not to exceed two hundred thousand dollars (\$200,000)
17 (“the MEDAF Loan”); and

18 WHEREAS, the MEDAF Loan is authorized under the Maryland Economic Development
19 Assistance Authority and Fund (“MEDAAF”) statute set forth in Sections 5-301 through 5-349
20 of the Economic Development Article of the Annotated Code of Maryland, as amended (the
21 “Act”); and

22 WHEREAS, the proceeds of the MEDAF Loan are expected to be used to reimburse A.M.

1 Briggs for eligible costs in connection with generally the following activities: (1) existing
2 126,732 square foot food distribution facility upgrade; and (2) construction, equipment, and
3 ancillary costs; and

4 WHEREAS, it is expected that the project costs will total approximately five million three
5 hundred sixty three thousand dollars (\$5,363,000) which will be funded by: (1) the MEDAF
6 Loan; (2) a conditional loan not to exceed eighty five thousand dollars (\$85,000) (at least ten
7 percent (10%) match of the MEDAF Loan is required under Section 5-319(d)(2)(ii) of the Act),
8 from the EDI Fund, (the "County Loan"); and (3) private financing and the owner's equity (the
9 remaining funds); and

10 WHEREAS, it is expected that the term of the MEDAF Loan will be ten (10) years from
11 the date of the disbursement, at an annual rate of three percent (3%) with payments of principal
12 and accrued interest, which payments may be deferred or forgiven if A.M. Briggs employs at
13 least two hundred thirty (230) full-time permanent employees for the term of the MEDAF Loan;
14 and

15 WHEREAS, A.M. Briggs will initially employ at least one hundred fifty (150) full-time
16 permanent employees at the Facility, employ two hundred fifteen (215) by June 30, 2016, and
17 two hundred thirty (230) at the Facility by December 31, 2020; thereafter employing at least two
18 hundred thirty (230) full-time permanent employees at the Facility for the remaining term of the
19 MEDAF Loan; and

20 WHEREAS, under Sections 5-319(d)(1) and (2)(ii) of the Act, a formal resolution of the
21 governing body of the County is required to endorse the MEDAF Loan; and

22 WHEREAS, the County Council and the County Executive have determined, based upon
23 the finding and determinations set forth herein, that it is in the best interest of the citizens and
24 residents of the County that the County Executive and County Council endorse the MEDAF
25 Loan, as set forth in Exhibit "A"; and

26 WHEREAS, pursuant to the Prince George's County Code Sec. 10-287, notice of intent to
27 award financial assistant from the EDI Fund was provided to the County Council on August 25,
28 2015.

29 NOW, THEREFORE, BE IT RESOLVED by the County Council and County Executive of
30 Prince George's County, Maryland, the recitals in the WHEREAS clauses to this Resolution are
31 hereby incorporated herein by reference and deemed a substantive part of this Resolution.

1 BE IT FURTHER RESOLVED that the loan from MEDAF to A.M. Briggs in an amount
2 not to exceed two hundred thousand dollars (\$200,000) as set forth in Exhibit "A" or any
3 revision thereof is hereby endorsed by the County Council and the County Executive.

4 BE IT FURTHER RESOLVED that notice of the County's conditional loan to A.M. Briggs
5 in an amount not to exceed eighty five thousand dollars (\$85,000) from the EDI Fund on
6 substantially the same terms and conditions of the MEDAF Loan was provided.

7 BE IT FURTHER RESOLVED that the County Executive or his designee are hereby
8 authorized and empowered to execute on behalf of the County such documents, instruments and
9 certificates as are necessary or appropriate to consummate the MEDAF Loan and the County
10 Loan.

11 BE IT FURTHER RESOLVED that this Resolution shall become effective as of the date of
12 its adoption.

Adopted this 10th day of November, 2015.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Mel Franklin
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____ BY: _____
Rushern L. Baker, III
County Executive