



Prince George's County Council

Agenda Item Summary

Meeting Date: 4/12/2016

Effective Date: 4/12/2016

Reference No.: CR-020-2016

Chapter Number:

Draft No.: 1

Public Hearing Date:

Proposer(s): County Executive

Sponsor(s): Turner, Davis, Glaros and Taveras

Item Title: A RESOLUTION CONCERNING LOANS TO 2U, INC., (“2U”) FROM THE MARYLAND ECONOMIC DEVELOPMENT ASSISTANCE FUND (“MEDAF”) AND PRINCE GEORGE’S COUNTY, MARYLAND (THE “COUNTY”) for the purpose of endorsing a loan not to exceed two million dollars (\$2,000,000) to 2U from the Maryland Department of Commerce, formerly the Maryland Department of Business and Economic Development, MEDAF program which, in conjunction with the conditional loan from the County’s Economic Development Incentive Fund (“EDI Fund”) not to exceed one million five hundred thousand dollars (\$1,500,000), will be used for eligible project costs associated with a new facility in the County and capital expenditures.

Drafter: LaKeecia Allen, Office of Law

Resource Personnel: David Iannucci, Office of the County Executive
Ebony Stocks, Economic Development Corporation

LEGISLATIVE HISTORY:

Date:	Acting Body:	Action:	Sent To:
03/29/2016	County Council	introduced and referred	PSFM
	Action Text: This Resolution was introduced by Council Members Turner, Davis, Glaros and Taveras and referred to the Public Safety and Fiscal Management Committee		
04/07/2016	PSFM	Favorably recommended	County Council
	Action Text: A motion was made by Council Member Lehman, seconded by Council Member Turner, that this Resolution be Favorably recommended to the County Council. The motion carried by the following vote: Aye: 4 Franklin, Harrison, Lehman and Turner Absent: 1 Patterson		
04/12/2016	County Council	adopted	

Action Text:

A motion was made by Vice Chair Glaros, seconded by Council Member Taveras, that this Resolution be adopted. The motion carried by the following vote:

Aye: 8 Davis, Franklin, Glaros, Harrison, Lehman, Taveras, Toles and Turner

Absent: 1 Patterson

04/26/2016 County Executive Signed

Action Text:

This Resolution was Signed

AFFECTED CODE SECTIONS:

BACKGROUND INFORMATION/FISCAL IMPACT:

This Resolution will endorse the two million dollar (\$2,000,000) loan given by the Maryland Economic Development Assistance Fund (“MEDAF”) to 2U, Inc., for the development project, in conjunction with the conditional County loan for matching funds from the County’s Economic Development Incentive Fund (“EDI Fund”) in the amount of one million five hundred thousand dollars (\$1,500,000).

State law requires endorsement of MEDAF funds from the governing body within the jurisdiction benefiting from the Maryland Department of Commerce’s MEDAF program. Prince George’s County Code Sec. 10-287 states that written notification of intent to award financial assistance from the EDI Fund must be provided to Council.

The aforementioned Funds will help with the expansion and retention of the 2U development project in Prince George’s County. The proceeds of the loan will be used to reimburse eligible project costs at the project site, including construction or acquisition, furniture, fixtures and equipment costs.

Document(s): R2016020, CR-20-2016 Exhibit A, CR-20-2016 AIS.pdf, CR-020-2016 Report, CR-20-2016 Transmittal Letter, CR-020-2016 Fiscal Impact