

PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2016 Legislative Session

Reference No.: CR-021-2016
Draft No.: 1
Committee: PUBLIC SAFETY AND FISCAL MANAGEMENT
Date: 04/07/2016
Action: FAV

REPORT:

Committee Vote: Favorable, 4-0 (In favor: Council Members Franklin, Turner, Lehman and Harrison)

CR-21-2016 is a resolution endorsing a \$350,000 loan given by the Maryland Department of Commerce's Maryland Economic Development Assistance Fund (MEDAF) for the United Parcel Service (UPS) project. These funds are matched through the County's Economic Development Incentive Fund (EDI) in the amount of \$100,000. These funds will be used to support the expansion of this business in the County.

Under this \$18 million dollar project, UPS will expand its facility in Laurel. The funding from both the EDI Fund and MEDAF loan will be used to cover a portion of the project, including capital improvements to the facility. UPS will continue to employ 1,000 full-time employees, 1,800 part-time employees and has committed to adding 200 new employees. This transaction also prevents the loss of 125 full-time employees and 455 part-time employees. UPS has also agreed to an unprecedented 50% LSMBE commitment on the \$6 million in demolition and improvement costs.

David Ianucci, Assistant DCAO of the Office of the County Executive, provided the Committee an overview of the resolution.

The Office of Law reports CR-21-2016 to be in proper legal form with no impediments to its enactment.

The Office of Audits and Investigations reports that while the County will initially expend \$100,000 from the currently appropriated EDI Fund to support the proposed Project, when both long-term direct and indirect revenues associated with the project are taken into consideration total County revenues should be significantly enhanced.

After discussion the Public Safety and Fiscal Management Committee voted favorable 4-0 on CR-21-2016.