

**COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND**  
**2016 Legislative Session**

Resolution No. CR-21-2016  
Proposed by The Chairman (by request – County Executive)  
Introduced by Council Members Davis, Lehman, Turner, Glaros and Taveras  
Co-Sponsors \_\_\_\_\_  
Date of Introduction March 29, 2016

**RESOLUTION**

1 A RESOLUTION concerning  
2 Loans to United Parcel Service, Inc. (Ohio) (“UPS”) from the Maryland Economic Development  
3 Assistance Fund (“MEDAF”) and Prince George’s County, Maryland (the “County”)  
4 For the purpose of endorsing a loan not to exceed three hundred fifty thousand dollars  
5 (\$350,000) to UPS from the Maryland Department of Commerce formerly the Maryland  
6 Department of Business and Economic Development MEDAF program which, in conjunction  
7 with the conditional loan from the County’s Economic Development Incentive Fund (“EDI  
8 Fund”) not to exceed one hundred thousand dollars (\$100,000), will be used for eligible project  
9 costs associated with a new facility in the County and capital expenditures.

10 WHEREAS, the Maryland Department of Commerce (“Commerce”) and the Prince  
11 George’s County Economic Development Corporation (“EDC”) have issued a joint proposal  
12 letter to the United Parcel Service dated June 1, 2015, outlining a non-binding expression of  
13 intent to offer incentives for its expansion project, copy attached as Exhibit “A” and incorporated  
14 herein by reference, to provide a loan in an amount not to exceed three hundred fifty thousand  
15 dollars (\$350,000) (“the MEDAF Loan”); and

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

19 WHEREAS, the proceeds of the MEDAF Loan are expected to be used to reimburse the  
20 United Parcel Service for eligible costs in connection with the following activities: (1)  
21 development of a new 227 trailer position staging area at the project site (the “Facility”); and (2)  
22 land purchase and costs of construction, furniture, fixtures and equipment; and

1           WHEREAS, it is expected that the project costs will total approximately \$18,000,000  
2 which will be funded by: (1) the MEDAF Loan; (2) a conditional loan not to exceed three  
3 hundred fifty thousand dollars (\$350,000) (at least 10% match of the MEDAF Loan is required  
4 under Section 5-319(d)(2)(ii) of the Act), from the EDI Fund, (the “County Loan”); and (3) from  
5 private financing and the owner’s equity for the remainder of the funds; and

6           WHEREAS, it is expected that the term of the MEDAF Loan will be ten (10) years from  
7 the date of the disbursement, at an annual rate of three percent (3%) with payments of principal  
8 and accrued interest, which payments may be deferred or forgiven if the United Parcel Service  
9 employs at least 1,000 full-time permanent employees for the term of the MEDAF Loan; and

10           WHEREAS, UPS will employ at least 1,000 full-time permanent employees and 1,800 part-  
11 time permanent employees at the Facility and hire an additional 200 new employees by  
12 December 31, 2019; thereafter employing at least 1,000 full-time permanent and 2,000 part-time  
13 permanent employees at the Facility for the remaining term of the MEDAF Loan; and

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

16           WHEREAS, the County Council and the County Executive have determined, based upon  
17 the findings and determinations set forth herein, that it is in the best interest of the citizens and  
18 residents of the County that the County Council and the County Executive endorse the MEDAF  
19 and the County Loans, as set forth in Exhibit “A”; and

20           WHEREAS, pursuant to the Prince George’s County Code Sec. 10-287, notice of intent to  
21 award financial assistant from the EDI Fund was provided to the County Council on October 9,  
22 2015.

23           NOW, THEREFORE, BE IT RESOLVED by the County Council and the County  
24 Executive of Prince George’s County, Maryland, that the recitals in the WHEREAS clauses to  
25 this Resolution are hereby incorporated herein by reference and deemed a substantive part of this  
26 Resolution.

27           BE IT FURTHER RESOLVED that the loan from MEDAF to UPS in an amount not to  
28 exceed three hundred fifty thousand dollars (\$350,000) as set forth in Exhibit “A” or any revision  
29 thereof is hereby endorsed by the County Council and County Executive.

30           BE IT FURTHER RESOLVED that the County’s Conditional Loan to UPS in an amount  
31 not to exceed one hundred thousand (\$100,000) from the EDI Fund on substantially the same

1 terms and conditions of the MEDAF Loan.

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

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

Adopted this 12<sup>th</sup> day of April , 2016.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY: \_\_\_\_\_  
Derrick Leon Davis  
Chairman

ATTEST:

\_\_\_\_\_  
Redis C. Floyd  
Clerk of the Council

APPROVED:

DATE: \_\_\_\_\_ BY: \_\_\_\_\_  
Rushern L. Baker, III  
County Executive