

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2010 Legislative Session

Resolution No. CR-10-2010
Proposed by The Chairman (by request – County Executive)
Introduced by Council Member Dernoga
Co-Sponsors _____
Date of Introduction February 16, 2010

RESOLUTION

1 A RESOLUTION concerning

2 Loans to Limbach Company, LLC (“Limbach”) 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 \$100,000 to Limbach from MEDAF and
5 authorizing a loan by the County to Limbach not to exceed \$20,000 for eligible project costs
6 associated with leasing a facility in the County and capital expenditures.

7 WHEREAS, the Maryland Department of Business and Economic Development and Prince
8 George’s County Economic Development Corporation have entered into a joint conditional letter
9 of commitment with Limbach dated October 28, 2009, copy attached as Exhibit “A” and
10 incorporated herein by reference, to provide a loan from MEDAF in an amount not to exceed
11 \$100,000 (the “MEDAF Loan”); and

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

15 WHEREAS, the proceeds of the MEDAF Loan are expected to be used to reimburse
16 Limbach for eligible costs of relocating and expanding its present business operations in the
17 County to a 50,000 square foot building in Beltsville (the “Facility”), consisting of the following
18 activities: construction of leasehold improvements and acquisition and installation of equipment;
19 and

20 WHEREAS, it is expected that project costs will total approximately \$1.3 million which
21 will be funded by: (1) the MEDAF Loan; (2) a County loan not to exceed \$20,000 (at least 10%
22 match of the MEDAF Loan is required under Section 5-319(d)(2)(ii) of the Act), from the

1 County's Incentive Leverage Fund, managed by the Prince George's County Economic
2 Development Corporation (the "County Loan"); and (3) approximately \$1.1 million from
3 Limbach; and

4 WHEREAS, it is expected that the term of the MEDAF Loan will be from the date of
5 disbursement through March 31, 2018, at an annual rate of three percent (3%) with payments of
6 principal and accrued interest, which payments may be deferred or forgiven if Limbach: (1)
7 employs at least 150 permanent, full-time employees at the Facility from disbursement through
8 December 31, 2012; (2) employs at least 225 permanent, full-time employees at the Facility by
9 December 31, 2012, and retains at least that number through December 31, 2017; (3) expends an
10 aggregate minimum of \$1,300,000 (including the loan and identifiable tenant costs amortized in
11 the lease) on project costs at the facility by March 1, 2010; and (4) maintains the lease, its
12 regional office, and fabrication facility in the County for the term of the loan; and

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

16 WHEREAS, the County Council and County Executive have determined, based upon the
17 findings and determinations set forth herein, that it is in the best interests of the citizens and
18 residents of the County that the County Council and County Executive endorse the MEDAF
19 Loan and authorize the County Loan, as set forth in Exhibit "A."

20 NOW, THEREFORE, BE IT RESOLVED by the County Council and the County
21 Executive of Prince George's County, Maryland, that the recitals in the WHEREAS clauses to
22 this resolution are hereby incorporated herein by reference and deemed a substantive part of this
23 resolution.

24 BE IT FURTHER RESOLVED that the loan from the Maryland Economic Development
25 Assistance Fund to Limbach in an amount not to exceed \$100,000 as set forth in Exhibit "A" or
26 any revision thereof, is hereby endorsed by the County Council and County Executive.

27 BE IT FURTHER RESOLVED that the County Loan from the County to Limbach in an
28 amount not to exceed \$20,000 from the County's Incentive Leverage Fund, managed by the
29 Prince George's County Economic Development Corporation, on substantially the same terms
30 and conditions of the MEDAF Loan, is hereby approved.

31 BE IT FURTHER RESOLVED that the County Executive and/or other appropriate officials

1 of the County are hereby authorized and empowered to execute on behalf of the County such
2 documents, instruments and certificates as are necessary or appropriate to consummate the
3 MEDAF Loan and the County Loan.

4 BE IT FURTHER RESOLVED that this resolution shall become effective as of the date of
5 its adoption.

Adopted this 6th day of April, 2010.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Thomas E. Dernoga
Chair

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE _____ BY: _____
JACK B. JOHNSON
County Executive

Note: Exhibit "A" is available in hard copy only and as an Inclusion File in LIS