

Prince George's County Council Agenda Item Summary

Meeting Date: 4/15/2008
Reference No.: CR-008-2008
Draft No.: 1
Proposer(s): County Executive
Sponsor(s): Dernoga, Turner
Item Title: A Resolution approving financial assistance to Comcast of Maryland, Inc. ("Comcast") from the County and from the Maryland Economic Development Assistance Fund ("MEDAF") for eligible project costs associated with a new advanced service center in the County

Drafter: Russell A. King, Jr., Office of Law
Resource Personnel: Wanda Plumer, Economic Development Corporation

LEGISLATIVE HISTORY:

Date Presented:		Executive Action:	4/22/2008 S
Committee Referral:	2/19/2008 - PSFM	Effective Date:	4/15/2008

Committee Action: 4/1/2008 - FAV

Date Introduced: 2/19/2008

Public Hearing:

Council Action (1) 4/15/2008 - ADOPTED

Council Votes: MB:A, WC:A, SHD:A, TD:A, CE:A, TK:A, EO:A, IT:A

Pass/Fail: P

Remarks:

AFFECTED CODE SECTIONS:

COMMITTEE REPORTS:

PUBLIC SAFETY & FISCAL MANAGEMENT

Date 4/1/2008

Committee Vote: Favorable, 5-0, (In favor: Councilmembers Knotts, Campos, Dean, Exum and Turner.)

This resolution will endorse and authorize the financial assistance from the State of Maryland Economic Development Assistance Fund (MEDAF) to Comcast of Maryland, Inc., for costs associated with leasing 80,000 square feet of office space for the operation of a new advanced service center in the County at 1301 McCormick Drive in Largo, Maryland. The terms of the lease is 10 years.

The State of Maryland, through MEDAF has offered an amount of \$500,000 as a conditional loan contingent upon the approval by the County Council. The County is also required to provide a matching conditional loan of 10% (\$50,000) for the lease project. The \$50,000 for the County's match will come from the County's Incentive Leverage Fund which is managed by the Economic Development Corporation (EDC). This fund is recapitalized annually at \$300,000 per year by County appropriations.

Comcast expects to spend at least \$4,000,000 to cover the cost of tenant improvement and equipment related to the new facility.

The terms of the MEDAF loan to Comcast of Maryland, Inc., will be at an annual rate of 3% with payments of principal and accrued interest from the date of disbursement until March 31, 2014. All outstanding deferred principal and accrued interest is eligible to be forgiven at the end of the term if Comcast (1) employs at least 500 fulltime employees at the project site from December 31, 2010 – December 31, 2013; and (2) otherwise complies with the obligations of the MEDAF loan.

The Office of Law has reviewed the legislation and finds it be in proper legislative form with no legal impediments to its adoption.

The adoption of CR-8-2008 will not have an adverse fiscal impact on the County. The proposed \$50,000 loan from the County will not require a new appropriation of County funds and the \$500,000 will come from the state of Maryland's MEDAF Program.

BACKGROUND INFORMATION/FISCAL IMPACT:

(Includes reason for proposal, as well as any unique statutory requirements)

This Resolution endorses a loan to Comcast for \$500,000 from MEDAF and from the County's Incentive Leverage Fund for \$50,000 to assist Comcast with tenant improvements, fixtures, and equipment at a new advanced service center, located at 1301 McCormick Drive, Largo, Maryland.

CODE INDEX TOPICS:

INCLUSION FILES:
