

PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

October 11, 2016

The Honorable Derrick Leon Davis Chairman Prince George's County Council County Administration Building Upper Marlboro, Maryland 20772

Dear Chairman Davis:

Enclosed for the County Council's consideration is a Resolution endorsing the eight hundred fifty thousand dollar (\$850,000) loan given to Safeway, Inc. from the Maryland Department of Commerce, formerly the Maryland Department of Business and Economic Development Maryland Economic Development Assistance Fund ("MEDAF") program. These State funds are matched through the County's Economic Development Incentive Fund ("EDI Fund") in the amount of five hundred thousand dollars (\$500,000) including the expansion and retention of businesses in the County. State law requires the County Council's endorsement of MEDAF funds within the jurisdiction benefiting from the Department of Commerce's assistance.

Under this \$13.5 million project, Safeway, Inc., will retain the operation of the distribution center located on Leeland Road, previously under the management of C&C Wholesale Grocers, as a Safeway owned and operated facility. The funding from both the EDI Fund and the MEDAF loans will be used to cover project costs including the expansion and renovation of the existing facility and acquisition of new equipment. Safeway, Inc., has committed to retaining six hundred twenty five (625) full-time employees for the duration of the loan.

The County Council's favorable consideration of this legislation is greatly appreciated. If you have any questions or concerns, please contact my office or David Iannucci, Assistant Deputy Chief Administrative Officer of Economic Development and Public Infrastructure at (301) 952-4227.

Sincerely,

Rushern L. Baker, III County Executive

Enclosures