



Todd M. Turner
Chair
District 4

March 31, 2020

Mr. Major F. Riddick
Chief Administrative Officer
Office of the County Executive
Wayne K. Curry Administration Building
1301 McCormick Drive, Suite 4000
Largo, Maryland 20774

Re: Prince George's County COVID-19 Business Relief Fund

Dear Mr. Riddick:

The County Council today has reviewed and considered the Administration's proposal, contained in the letter from Mr. David S. Iannucci, President and Chief Executive Officer, Prince George's County Economic Development Corporation (EDC), to use up to \$10,000,000 of the County's Economic Development Incentive Fund's (EDIF) resources to support small, local, and minority businesses in Prince George's County affected by the COVID-19 health crisis sweeping Maryland, the United States and the world. The County Council also appreciates the Administration's briefing and discussion today on this proposed initiative.

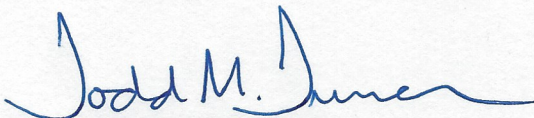
It is the Council's understanding that the \$10,000,000 in EDIF funds will be used in conjunction and partnership with local private banks, with a current estimate of an additional \$5,000,000 in private investment, to create a Prince George's County COVID-19 Business Relief Fund ("Business Relief Fund"), which will be used to provide immediate financial assistance to small, local, and minority businesses in the County so that they may retain their pre-pandemic workforce and sustain operations during the period of social distancing and other necessary health emergency constraints. In compliance with the Governor's several Executive Orders, many businesses in the County have had to necessarily close and that as many as 10,000 layoffs have already occurred in the County and more are expected. As of March 25, 2020, EDC reported that it has received approximately 65,000 inquiries on its various platforms. The need for business assistance is clearly present and will undoubtedly increase in the days and weeks ahead.

The proposed County Business Relief Fund will be managed with the professional and technical support of EDC and Prince George's County Financial Services Corporation (FSC First), and with the assistance of the EDIF Financial Advisory Committee. As State and Federal economic relief and stimulus assistance funds become available, these additional needed financial resources will be managed and coordinated with the Business Relief Fund, as appropriate. Initial guidelines that will govern the Business Relief Fund are summarized in Mr. Iannucci's letter. The EDC and FSC First will provide timely and regular reports to the County Council on businesses receiving financial aid under the proposed program and full transparency will be provided on all loans.

On behalf of the County Council, I hereby advise you of the Council's concurrence with the Administration's request to utilize the proposed \$10,000,000 of Economic Development Incentive Fund (EDIF) assets to establish the proposed Prince George's County COVID-19 Business Relief Fund with the following revisions: (1) 25% (or \$2,500,000) of the assistance awarded by the EDI Fund shall be in the form of business assistance grants (businesses with fewer than 10 employees – will be eligible for consideration of grants up to \$5,000 and businesses with 10 or more employees - will be eligible for consideration of grants up to \$10,000); (2) the provision that requires borrowers to commit to best efforts to have 35% of future construction work will be for County-based small businesses; and (3) EDC and FSC will prepare an initial report to the County Council after the first 30 days of program operations providing a summary on the number of County based small businesses initially applying for County assistance, followed by reports every 30 days thereafter reflecting key program progress and milestones achieved for each period. We concur that this revised proposal will support worker retention, help maintain private investment, help support the County's tax base, and meet multiple additional economic development priorities, goals, and requirements of the EDIF statute.

The County Council looks forward to our continued work with you and the Administration on this and other initiatives on behalf of the citizens and businesses of Prince George's County during this crucial crisis.

Sincerely,



Hon. Todd M. Turner
Council Chair

cc: County Council Members
Mr. Robert Williams, Council Administrator
Mr. William Hunt, Deputy Council Administrator
Ms. Angie Rodgers, DCAO, Economic Development
Mr. David S. Iannucci, President/CEO, PGC Economic Development Corporation
Ms. Shelly Gross Wade, President/CEO, PGC Financial Services Corporation, FSC First