



OPPORTUNITY ZONE LEADERSHIP TASK FORCE

February 22, 2019 Governor's Reception Room Meeting Minutes

I. Call to order

Lieutenant Governor Rutherford called to order the first meeting of the Opportunity Zone Leadership Task Force at 11:00AM on February 22, 2019 in the Governor's Reception Room.

II. Roll Call/Attendees

Task Force Members: Lt. Governor Rutherford, Secretary Ken Holt, Secretary Kelly Schulz, Secretary Rob McCord, Assistant Secretary Sean Powell, Secretary Lourdes Padilla, Secretary James Fielder, Phil Hutson, Thomas Sadowski, Dannielle Glaros, Robert Brennan, Charlene Dukes

Designees: Deputy Secretary David McGlone- DLLR, Sylvia Lawson- MDE

Presenter: Christopher Shank

Absent: George Davis, Jake Romanell

III. New business

a) Background of Initiative:

Governor Hogan created this Task Force on January 3, 2019 and it has been tasked with conducting regional meetings to allow citizens the chance to discuss opportunities in their regions. Our objective is to explain and educate stakeholders on what the program is and what it isn't. This program is market-driven. The State plans to be the last money in.

b) Department of Housing and Community Development (DHCD)
Presentation - Secretary Holt:

- The State is providing a financial incentive for the private sector to get involved. MD wants to ensure our money can be invested into tangible assets.
- The MD Opportunity Zones (OZ) Information Exchange - 300 hits a day, with 2-3 projects uploaded into the system each day
- There is already significant investment in Maryland based businesses that the state will invest capital to make the most of OZs - this is a mechanism to entice outside investors

c) Legislative Overview - Chris Shank:

More Opportunities for Marylanders Act 2019 (HB 150/SB 170) - builds on More Jobs for Marylanders. Extends certain benefits to businesses that locate or expand in OZs in the State and extends the termination date of the Program.

Workforce Initiative Program - Maryland's nationally recognized EARN workforce development grant program will now focus directly on the state's 149 Opportunity Zones with a new investment of \$3 million to establish "Opportunity Works" – a job training program specifically for businesses that are located in Opportunity Zones. Through Opportunity Works, the Maryland Department of Labor will issue competitive grants for qualified businesses to provide workforce training programs that result in a credential or identifiable skill, or job readiness and skill training.

Governor's Budget included \$16 M for Technology Development Corporation - to create the Maryland Technology Infrastructure Fund. This transformative new fund will be housed and staffed through Maryland's innovation arm - Technology Development Corporation (TEDCO), an independent governing board tasked with creating a long-term strategic vision and implementation plan to leverage more than \$500 million in planned investment over the next decade.

d) Task Force Members Description of Role in OZ:

DHCD and Commerce are the lead agencies for Opportunity Zones

Department of Commerce – Instituting an OZ Ombudsman within the Department to assist businesses within OZs in accessing State and local

incentive programs as well as working through any bureaucratic red tape they encounter. Major Projects - working with the Commerce Cabinet to track major developments and job creation located in OZs.

Maryland Association Community College (MACC) - 16 Colleges across the state puts us in the prime position to help in workforce training. Training those individuals that are interested and businesses that are looking for employees.

Maryland Economic Development Corporation (MEDCO) - IT and cyber marketplace collaborate with Universities which caused infrastructure legislations. MEDCO owns a couple properties in the state that are in OZ, one in Calvert Co. has attracted a newly created business that is developing a product with technology spun out from the Indian Head Naval Base. The new business owners are creating their own OZ funding for their enterprise.

At Frostburg State University MEDCO has been working to acquire a property for the University to be used to support economic development. Based on the OZ limitations we will not be able to use the OZ funding capabilities to acquire the real estate but we do see great potential for funding new enterprises to locate into the facility.

Maryland State Department of Education (MSDE) - works with a wide variety of organizations. MSDE can utilize these relationships with businesses, public & private partners to spread information and knowledge.

Maryland Department Of Transportation (MDOT) - can help to identify infrastructure requirements and needs surrounding projects in OZs and leading into OZs. MDOT also has grants and federal dollars that could be accessed for qualifying projects.

Department of Labor Licensing and Regulations (DLLR) - EARN
Maryland is a new state-funded, competitive workforce development grant program that is industry-led, regional in focus, and a proven strategy for helping businesses cultivate the skilled workforce they need to compete. It is flexible and innovative, designed to ensure that Maryland employers have the talent they need to compete and grow in an ever-changing 21st century economy. Work with all partners and help with workforce development. Make sure that employees are being trained with the correct skills in the needed areas to help ensure employment.

Maryland Department of Planning (MDP) - Census data gives the state information on: housing; employment data; schools; populations; etc and

MDP is able to do comprehensive analysis of the data. We can figure how many people have degrees in certain areas. Data center has lots of opportunities to help. Master plans- zoning- all familiar to our regional planners- steps to make portions of OZ more accessible. Information on priority funding areas. Maryland Historical Trust - rehabilitation tax credit 9 million dollar program

Department Human Services (DHS) - Local department of social services has presence in all counties of MD and we are working with local level. 2 gen initiative - goal at some point to combine and merge both and 2 Gen can take advantage of OZ program. Work with DLLR combined plan dedicated for training and development of OZ projects

Maryland Stadium Authority (MSA) - MSA currently oversees projects such as 21st Century School Buildings Program and Project C.O.R.E. Help identify where dollars can be leveraged and produce the best outcomes.

University System of Maryland -16 facilities across the state and will be taking operational control at Southern MD College. Community investment and development are already priorities of the system. Investments in the more promising startups. 13 schools are already in OZ.

Maryland Association of Counties (MACo) - 149 OZ identified in MD. Counties have been taking a look at where they are and align with incentives that are there on the local level. Position counties and projects to bring investments this is a competition for Counties. Noted* project in Prince George's that has flat lined several times but these opportunity incentives are bringing it back

e) Secretary Holt – Challenges:

- Perception of possible community displacement and urban renewal - educate communities on the significance of generation wealth and possible home ownership (how to keep and pass wealth on)
- Working with locals
- Education and information is key. Need to clearly display what the OZ program is intended to do and what it is not intended to do.

IV. Next Meeting

Truitt Community Center, 319 Truitt Street, Salisbury MD 21804

March 14, 2019

4:30PM

V. Adjournment

Lieutenant Governor Rutherford adjourned the meeting at 12:00PM.

Minutes submitted by: Heather Poston & Courtney Highsmith

Minutes approved by: