



Fiscal Year 2021 Final Report

EXECUTIVE SUMMARY

Since the pandemic's beginning, Rockville Economic Development Inc. (REDI), has been a steady presence in the business community offering information and resources to help companies pivot to “the new normal in an everchanging economy.” To ensure representation of the City of Rockville’s business community, REDI’s Board of Directors serves a reflection of the businesses and stakeholders that support the City's commitment to economic vitality and mission. A list of Board members is attached as **Exhibit A**.

REDI met the challenges of this year with new leadership at the Board as well as the executive staff leading programming. Susan Prince was elected Chairman of the Board, and along with an executive committee that includes Nancy Regelin (Vice-Chair), Jennifer Hester (Vice-Chair), Bridget Donnell Newton (Mayor of Rockville), and Scot Browning (Treasurer) worked with CEO Cindy Rivarde to not only navigate the new environment caused by the pandemic, but to accelerate REDI’s strategic goals. The Board added new members including Dan Mallon, Vice President of Business Development for the new US headquarters for Ellume, and Nikhil Bijlani, Senior Vice President Product Manager, Capital Bank Maryland, to replace outgoing members Jose Ochoa and Scot Browning. A new Deputy Director, heading up business development, Richelle Wilson, and a new Managing Director for the Maryland Women’s Business Center (MWBC) Morgan Wortham joined the staff, bringing strong leadership and skills to the organization.

Like many other cities, Rockville experienced record-high unemployment rates, a significant reduction in the workforce, and the threat of businesses permanently closing their doors due to the uncertainty of the pandemic. Industries that were hit the hardest and are still feeling the effects of the pandemic included retail trade, accommodation & food services, and arts entertainment & recreation. According to the 2019 Census Bureau ACS 5-year Estimate, these industries make up about 14% of Rockville's workforce.

However, most of Rockville's employment base is comprised of jobs that are considered more resilient to the effects of COVID. According to Census, in 2019, the industries with the largest employment base were Professional, Scientific, & Technical Services (7,951), Public Administration (4,866), and Health Care & Social Assistance (4,356). These industries are also a reflection of where investors decided to put their money during the pandemic. In particular, the Professional, Scientific, & Technical Services sector, which includes the Life Sciences industry, experienced recent growth in the city with company relocations and expansions. This activity, coupled with Rockville's enviable location in the heart of the region's immunology capital, sparked investor interest. In Fiscal Year (FY) 2021, capital investments totaled \$363 million, of which 81% accounted for the life science and the biotech industries. Compared to the prior fiscal year, capital investments in FY 2021 outpaced FY 2020 by over 600% as the momentum for life science continues.

As the business community grappled with the effects of the pandemic, REDI adapted its services, products, programs, and technology infrastructure to meet the immediate needs of its clients while proactively identifying and implementing initiatives to prepare for future needs. In FY 2021, REDI helped the businesses community navigate the pandemic while at the same time leading efforts in four major areas—Business Retention/Expansion/Attraction, City Projects, Small Business Assistance, and Workforce Alignment—in accordance with the FY2021 Strategic Initiatives and Work Plan submitted to the Mayor & Council in August 2020. REDI also serves as a regional entrepreneur resource and hub through its signature program, The Maryland Women's Business Center (MWBC), a Federal Small Business Administration (SBA)-certified program. Major accomplishments are highlighted for each focus area in the following sections below.

FY 2021 Highlights:

Business Retention/Expansion/Attraction

- Created the Rock East District, branding the E. Gude Dr. area as a makers and traders district, to retain and attract businesses to the area, encourage local

tourism, and raise awareness of things to do in Rockville for residents and visitors, and employees.

- Attracted the relocation of Autonomous Therapeutics, Inc.'s corporate headquarters from New York to Rockville through the MOVE incentive program. The relocation brings a total of 65 STEM jobs by 2023 to a new 18,000 sq. ft. R&D facility to 1530 E. Jefferson Street.
- Worked with the City and Lantian Development/Boston Properties to reposition the Shady Grove Bio+ Tech Campus on Choke Cherry Road as an adaptive reuse project with new, Class A lab space, attracting life science businesses to a 31-acre campus.
- Consulted on and assisted with permit services for Duball's Phase II of Rockville Town Center multifamily project, including 400 apartment units.
- Refined and streamlined the MOVE/Expansion and Small Business Impact Incentive Funds requirements and application process to make the programs more accessible to Rockville businesses.
- Surveyed recipients of REDI's MOVE/Expansion and Small Business Impact Incentive Funds to gauge added economic impact to the City.
- Welcomed Richelle Wilson as REDI's new Deputy Director in April. She brings a wealth of knowledge regarding real estate, research, and economic development to REDI and will be leading Business Retention/Expansion/Attraction efforts.
- Developed and issued a request for proposal (RFP) for a business and site selector survey to better to assess the City's business needs and marketing efforts.
- Launched a newly redesigned, mobile-responsive website to better promote REDI's services, programs, resources, and value while highlighting Rockville's thriving industry sectors and REDI programs to support business attraction, retention, and expansion.

City Projects

- Provided input on the 2040 Comprehensive Plan, including the new Economic Development Element and various planning areas. In particular, REDI commissioned a study to address the impact of changing land use categories on Research Boulevard, to provide professional input to the Mayor & Council to assist decision making.
- Partnered with the City and the Rockville Chamber of Commerce to present a series of forums for Rockville businesses to navigate and access various relief programs and City services.

- Worked with City staff to develop and issue a request for proposal (RFP) to hire a consultant to analyze the actions necessary to reposition King Farm Farmstead.
- Participated in the steering committee for the redevelopment of the Rockville Metro Station.
- Continued to support City efforts to address the Urban Land Institute (ULI) Technical Assistance Program (TAP) recommendations for Town Center.

Small Business Assistance

- Hired a new MWBC Managing Director, Morgan Wortham, at the beginning of the fiscal year. Her wealth of experience working with entrepreneurs and the community was crucial as she addressed grant management, pandemic programming, and increased staffing needs required to support businesses in this unprecedented time with direct counseling, training and assistance, and access to relief.
- Supported 329 Montgomery County home-based childcare programs through one-on-one counseling and the development of a workshop series (bi-lingual) designed to help local childcare businesses position their finances and take advantage of government relief programs
- With MWBC assistance, Maryland entrepreneurs raised a total of \$6.5 million of capital infusion in FY 2021, \$494 million in equity capital, and \$5.1 million in business loans, which outpaced last year's capital infusion total by 182%.
- Approved six new women-owned retail businesses into MWBC's competitive Retail Incubator located in Rockville Town Square. Since its inception, nine women owners of small businesses have graduated from the Incubator, with five businesses moving into their storefronts in the metro DC area.
- Presented the WEgrow leadership growth program for a second year, focusing on helping women entrepreneurs transition to the next business level.
- Organized and facilitated more than 70 workshops for entrepreneurs, drawing nearly 1,200 attendees who received vital information to support their business needs.
- Served more than 350 minority businesses, of which 38 were in the City of Rockville.
- Hosted a successful 10th-anniversary virtual celebration event with 125 attendees, guest emcee Jumy Olabanji from NBC, and keynote speaker Monique Rose, owner and founder of Milk and Honey restaurants.
- Hired four additional staff members to serve MWBC clients: Karen Kalantzis, Nestor Gavidia, Thomas Squire, and Bryan Thomas.

- Launched a newly redesigned, mobile-responsive website in February 2021 to better reach and support entrepreneurial business owners.
- Cindy Rivarde, Richelle Wilson, and Karen Kalantzis serve as mentors for the MD Tech Council Venture Mentoring program to help grow area entrepreneurs with a focus in the tech and life science sectors, and Ms. Rivarde also serves on the tenant review committee for the Rockville Incubator in Town Center.

Workforce Alignment

- Organized and hosted five Workforce Development Roundtable Discussions led by REDI's Workforce Education Committee chaired by board member Dr. Kimberly Kelley and supported by her team at Montgomery College. Timely topics included Cybersecurity, Workplace Re-entry, Mental Health, Creating Community, and Workforce Education and Employer Needs.
- Continued talent alignment conversations with Montgomery College, Universities of Shady Grove, the Montgomery County Public School System, and WorkSource Montgomery to better facilitate conversations with the business community about current/future hiring needs.

DISCUSSION

Business Retention/Expansion/Attraction

In FY 2021, REDI continued to serve the City as the main point of contact for business attraction and retention efforts for the City. To support the business community, REDI provides a host of services that include assistance with expansion efforts, site selection, fast track development coordination, export opportunities, and information about access to capital. To that end, REDI launched a redesigned, mobile-responsive website to better educate individual and business visitors about the services, programs, resources, and financial support available. The new site also creates higher visibility about Rockville's key industry sectors and the growth that continues throughout the pandemic, particularly in the biohealth and technology sectors.

In April of 2021, REDI hired Richelle Wilson as its Deputy Director to focus on and create a strategy for business retention, expansion, and attraction. Ms. Wilson has worked in research at some of the top commercial real estate firms such as CBRE and Cushman & Wakefield. She also worked for property technology firm, CoStar, as the Associate

Director of Analytics for the Washington DC Region. Her experience in economic development includes working for Montgomery County Economic Development as a Research Manager and Special Projects Manager. She holds a master's degree in financial management from the University of Maryland and brings a great mix of experience. In addition to assisting businesses with site selection, Ms. Wilson immediately focused on refining the process and requirements for the incentive programs, developed the business and site selector survey RFP scope, and worked with City staff to develop a research and data gathering methodology. REDI is pleased to have Ms. Wilson leading Rockville's Business Retention/Expansion/Attraction efforts.

Remained A Strategic Partner to the City

Over the course of the year, REDI has maintained its position as a strategic partner when looking at the economic impact of projects in the City. REDI has been supportive of the City creating a dedicated Economic Development Element in its Comprehensive Plan. REDI provided input and support throughout the process and adoption in early August 2021. In addition, to support the Economic Development Element, REDI gave input on other Elements and Planning Areas. In particular, REDI commissioned a study by Jacob Sesker of Harpswell Strategies, LLC to assess the impact of the change in Land Use categories on Research Boulevard. The information provided informed Mayor & Council to decide to retain some of the office categories in that planning area.

REDI worked with City staff and the Rockville Chamber of Commerce to provide information to the business community during the pandemic through a series of forums. These forums provided Rockville businesses with information about the vast array of available relief programs and information on requesting relief from regulations like outdoor dining. The forums provided a mechanism to gather information about the needs of local businesses so that the City, REDI, the Chamber, and other organizations can remain responsive and supportive of our business community during these unprecedented times.

REDI had previously advocated for hiring a consulting firm to assist the Mayor & Council in assessing redevelopment options for King Farm Farmstead. REDI assisted in creating the RFP for hiring the consultant and served on the review committee. The RFP's purpose was to evaluate the real estate market and economic analysis to find the best potential

uses for the property and assess the infrastructure required by the City to make the property marketable. REDI looks forward to supporting the opportunity to reposition this historic property, which has the potential to become an attraction and economic driver for the City.

The Washington Metro Area Transit Authority (WMATA) is working on a redesign of the Rockville Metro Station and has convened a steering committee that includes the City, REDI, and Montgomery County. This project is important to solve the safety and aesthetic challenges of the current station. REDI has provided input as a member of the steering committee as well as participated in the public forums gathering community input. The metro station is one of the most active stations and is in the heart of Town Center. Redevelopment of the station will enhance and continue to galvanize the redevelopment of Town Center near the station.

The City continues to make progress in addressing the ULI TAP recommendations in Town Center despite the pandemic. The City implemented some of the recommended changes, with Mayor & Council approving "road diets" for E. Middle Land and N. Washington Street in conjunction with an application for the Asphalt Art Initiative grant with Bloomberg Philanthropies. During the approval of the Rockville 2040 Comprehension Plan, the Mayor & Council endorsed improved access to Town Center from Montgomery College through a more direct hiker-biker pathway. To make access to Town Center easier for patrons, Federal Realty changed parking regulations to include free two-hour parking with no validation needed. In conjunction with these changes, Rockville Town Center has been active with new developments projects such as the recent delivery of Main Street apartments and the construction of Duball's new residential project Ansel.

Despite the pandemic's challenges on retail industry, Rockville has also seen an uptick in new businesses coming to the City. In FY 2021, Plaza Oaxaca, and Taco Bamba were some new businesses to open in Rockville, and the news of potential openings brings about excitement and hope for the state of restaurants in Rockville. Some future openings announced included Lagos Bar & Grill and Mercat Bar de Tapas moving into Town Center. Let's Taco will add to the mix of food options at Pike Kitchen, and Mr. Wish, a Pennsylvania-based chain, is set to open in Congressional Plaza.

REDI is pleased to serve as a valued partner to the Mayor & Council, and City staff to provide input on the interests of the Rockville business community and the economic vitality of Rockville.

Social Media Touted Rockville as a Desired Location

In addition to sharing COVID-19 relief resources, REDI continued using its social media platforms to attract and retain businesses by promoting Rockville as a premier destination for businesses and highlighting the quality of life enjoyed by residents, employees, and visitors. More than 160 companies were mentioned in posts and the number of digital ads that promote Rockville as a place to do business nearly doubled the proposed total. Social media efforts were also focused local business achievements, City recognitions, partner programs, and more. Significant company and city recognitions included the following:

- 22 Rockville Companies (representing nine industry sectors) Rank on Inc.'s Annual 5000 List
 - BarnAllen Technologies, Bravium Consulting, Clear Impact, CloudBolt Software, College Hunks Hauling Junk & Moving Company, CommunicateHealth, Credible Behavioral Health, DogiZone, The Electronic On-Ramp, Green Threads, Kendall Capital Management, Labyrinth, Precise Software Solutions, Quince Orchard Psychotherapy, Ripple Effect Communications, Simply Nutrition, Stellar IT Solutions, Supinf Technologies, TISTA Science & Technology Corporation, Transparent BPO, United Solutions, and Vigene Biosciences.
- Eight Companies Led Region's Advanced Immunology Surge by Relocating, Expanding, and Thriving in Rockville
 - Aurinia Pharmaceuticals, Autonomous Therapeutics, Inc., Immunomic Therapeutics, Inc., Integrated Pharma Services, On Demand Pharmaceuticals, PediaMetrix, Sensei Biotherapeutics Inc., and Vigene Biosciences
- Eight Rockville Companies Rank as Top Workplaces in 2021
- American Speech-Language-Hearing Association, Apex Home Loans, Aronson LLC, Emmes, FitzGerald Financial Group, Mass Mutual Greater Washington, Regenxbio, and Sparks Group.
- Rockville Earns Top Score for LGBTQ Support on HRC Municipal Equality Index (4th Year)

- Rockville Ranked 7th Most Culturally Diverse City in the U.S. by WalletHub
- Rockville Ranks Among Top Cities for Retirees by SmartAsset
- Rockville Wins 2020 Most Educated Cities Award from Insurify
- Frederick-Gaithersburg-Rockville Area Ranks #9 on the 2020 Arts Vibrancy Index among U.S. Large Communities
- Rockville Named 3rd Best Place to Live for Dog Owners by Money Magazine

Over the past year, we increased our social media followers by 5.6% across combined platforms, with a 10% increase of followers on LinkedIn, which is a crucial stakeholder platform for REDI. Metrics outpaced their proposed numbers in all categories except one. Once again, REDI tracked the number of posts for pandemic resources, but as expected, those numbers are lower than last year as recovery began and resources were exhausted.

Performance Measures	Proposed FY 2021	Actual FY 2021
Number of digital ads promoting Rockville as a place to do business	30	57
Number of Rockville companies promoted through social media	150	162
Percentage increase in Social Media Followers	n/a	5.6%
Number of external articles posted that share news about Rockville's industry sectors	25	12
EXTRA METRIC: Number of COVID-19 resources posted to assist Rockville businesses	n/a	90 Reach= 21,077 people

REDI & Partner Efforts Attract Big Companies

Despite the disruptions of the pandemic, REDI still experienced numerous wins this year in terms of attracting, retaining, and expanding businesses in Rockville, many of which received incentives (more on this in the next section). Some of the biggest Rockville 'wins' include:

- **Attraction: Autonomous Therapeutics, Inc.**
The New York-based company moved its headquarters, manufacturing, and R&D campus to Rockville. Currently, the company has 15 employees, with plans to hire

more than 50 scientists and engineers within the next three years. The growing antivirals company is developing a suite of first-in-class “Therapeutic Interfering Particles” to prevent respiratory pandemics, including influenza and COVID-19. The company currently occupies 17,700 square feet (SF) of space at 1530 Jefferson Street, also in an Opportunity Zone. This attraction project was a joint effort between the City of Rockville/REDI and Montgomery County/MCEDC.

- **Expansion: Integrated Pharma Services (IPS)**
IPS expanded its operations by 9,000 SF in Rockville to begin manufacturing surgical masks and its full suite of COVID-19 detection, testing, and monitoring services.
- **Retention: Shady Grove Bio+ Tech Campus**
Boston Properties expands its life sciences holdings by purchasing 435,000 SF, 31-acre campus for Class A lab development.
- **Acquisition: 5640 Fishers Lane and 12441 Parklawn Drive**
Glenline Investments and Singerman Real Estate formed an investment partnership that plans to reposition the buildings for life science tenants.
- **Acquisition: Twinbrook Office Center at 1700 Rockville Pike**
Morning Calm Management acquired Twinbrook Office Center, which is leased to biotech and life science tenants.

Real Estate Development Remains Active

REDI has worked hard during FY 2020 to support the economic health of Rockville commercial development to support the stability of the commercial real estate market. During FY 2021, development did not slow down, and a total of 57,000 SF was delivered in the City of Rockville. In particular, Main Street apartments delivered a 70-unit apartment building. This project serves as a unique asset to the community. One-quarter of the units were designated for people with varying special needs and the remainder of the units are to accommodate households earning 30-60% of Montgomery County’s median income.

Another major project includes Duball’s joint venture with Daiwa House Group and the Housing Opportunities Commission. The project, Ansel, consists of multifamily and retail that is expected to deliver later in 2021. REDI provided support to this project with parking

information when construction started, consulted on and assisted with permit services for the project.

On the horizon, B.F. Saul is working on constructing a new trophy building off Rockville Pike, a part of a larger mix-use project called Twinbrook Quarter. The project includes seven phases and, at completion, the project is expected to deliver 248,000 SF of trophy office space, 80,000 SF for a new Wegmans, an additional 25,000 SF for retail, and about 450 residential units. This project is a perfect complement to the bustling retail corridor and will help Rockville to become more competitive when attracting companies.

Business Incentives Provide Critical Assistance

The City continued to support our incentive programs by allocating \$50,000 for the Make Office Vacancy Extinct (MOVE)/Expansion Fund and \$450,000 for the Small Business Impact Fund (SBIF) in the FY21 budget. Incentive programs are put in place to support businesses within the corporate city limits of Rockville and businesses that want to relocate or expand here. This assistance allowed us to use these programs as tools for our retention, expansion and attraction efforts and show gratitude to businesses for choosing Rockville as their place to grow and conduct business.

The SBIF was designed to help small local businesses located in target areas that provide a public benefit to strengthen their operations and has been successful thus far. This program has been particularly successful in stemming the tide of businesses leaving Town Center, which Mayor & Council addressed 2018 by setting up the SBIF. Today, we have maintained the presence of Town Center's anchor tenant Dawson's Market in addition to long-standing retailers such as Cottage Monet. Presently we see a resurgence of retail and restaurants, with spaces turning over. This is largely due to the retention efforts of key retailers, as well as partnering with Federal Realty and the City to create a retail incubator for MWBC clients, some of whom have graduated and taken their own shop space in Town Square.

Because we were not receiving many SBIF applications, especially during the pandemic, we decided to review the SBIF program to understand if there were obstacles that we could remove to simplify the process for businesses. Some of the changes included tiering the SBIF requirements to provide varying levels of application materials and grant requirements for one-time versus multi-year grants and targeted more reasonably to the grant amounts:

- Tier One - One-time Grant totaling \$25,000 or less
- Tier Two - One-time Grant between \$25,001-\$75,000
- Tier Three - One Time Grant \$75,001 and above, Multi-year grant, or more than one SBIF grant

To qualify, applicants must show:

- Percentage of jobs awarded to hard-to-employ residents
- Community engagement and support
- Support of locally made products and local food chain
- Compelling or strategic economic reason to receive a public investment
- Non-profits qualify, but chain companies do not.

Additionally, we revamped the website information for both SBIF and MOVE/Expansion incentives to make it easier to read and understand and removed the password protection from the applications.

Below is a list of grantees for this year’s REDI business incentives, followed by the performance metrics for the business incentive programs:

GRANTEE	GRANT	LOCATION	ADDED SF	EMPLOYEE COUNT
Autonomous Therapeutics	\$36,000 Move Grant	1530 E. Jefferson St.	N/A	15 current, will add up to 50
Integrated Pharma	\$22,360 Move Grant	4 Research Court	N/A	3 current, will add up to 25
Total Recon	Expansion Grant	627 Southlawn Ave.	12,000	5 current, will add up to 40
Cottage Monet	\$34,000 SBIF Grant	36 Maryland Ave. #H	N/A	4 part-time
Dawson’s Market	\$400,000 per year SBIF Grant	225 N. Washington Street	N/A	26 FT/33 PT

Performance Measures	Proposed FY 2021	Actual FY 2021
Business Incentive Grant recipients (Move/Expansion)	7	4
Square footage of space leased by grantees	35,000	35,711
Aggregate average annual salaries for grantee firms	90,000	90,000
Number of full-time jobs added to Rockville through grantees*	80	40

Other Efforts that Support Attraction and Retention Efforts

Throughout the year, REDI engages in other efforts that support business attraction and retention, such as sponsorship and participation in economic development events, national and regional ads promoting Rockville, site visits, and more. This year, most programming was held virtually due to the pandemic, but this did not prevent REDI from maintaining a presence. Examples of the strategically sponsored and promoted events include:

- Small Business Innovation Research and Small Business Technology Transfer (SBIR/STTR) Programs Overview, in a program curated by the NIH National Center for Translational Sciences with Councilmember Ashton.
- Rockville Chamber of Commerce Economic Development Panel - on October 9, 2020 Mrs. Rivarde joined a panel discussion to discuss current economic conditions and pandemic recovery in Rockville and Montgomery County.
- Rockville Chamber of Commerce Business Forums - Mrs. Rivarde shared her expertise during two business forums. First on November 16, 2020 she discussed financial resources available to businesses, and then on March 29, 2021 she and Ms. Wortham both presented on various resources available to support businesses.
- Post-Doc Conference (part of the Maryland Life Sciences Bio-Innovation Conference) - REDI participated in planning assistance and sponsored.
- Maryland Tech Council & The Universities at Shady Grove Industry Roundtable "Bridging the Life Sciences Workforce Gap" - REDI sponsored and promoted.
- National Economic Development Week & Maryland Economic Development Week - promoted via social media.
- Small Business Saturday - promoted the national observance through social media and encouraged Rockville residents to "buy local" at small businesses during holiday shopping.

- SAPA-DC's 2020 Biotech Investors Pitch Conference - virtually convened leading biotech companies, many of which are located in Rockville. REDI promoted the event, specifically the panel discussion "Opportunities and Challenges in Biotech Start-up, Growth and IPO."

Below are some additional performance measures that support this focus area:

Performance Measures	Proposed FY 2021	Actual FY 2021
Number of strategically placed print ads in regional/national publications	2	1
Number of industry sector events hosted/promoted	8	16
Number of business visits	140	25
Number of broker/economic development event sponsorships*	4	9
Number of industry sector events hosted/promoted*	8	16

Due to the ongoing effects of COVID, much of our business interaction this year remained virtual, which made formal business visits difficult. Nevertheless, we were continually accessible and assisted businesses virtually. In return, the necessity of virtual meetings affected our number of business visits, but we were able to shift our focus to more sponsorships and events online. As a result, we were still able to connect with the business community in order to disseminate info, have a presence and build awareness of Rockville and REDI.

Small Business Assistance

MWBC continues to be a pivotal program within suburban Maryland for small businesses and entrepreneurs. Celebrating its 10th anniversary in FY 21, the program focused on the business community within Montgomery, Prince George's, and Frederick Counties by providing education, entrepreneurial development, business counseling, access to capital and other resources. Other efforts to assist small businesses and support the entrepreneurial ecosystem included MWBC's sponsorship of the Rockville Chamber of Commerce Leadercast 2020, a digital leadership conference series that delivers real solutions for today's leadership challenges, and REDI's participation in the Maryland Tech Council's mentor program and the tenant review committee for the Rockville Incubator.

New Managing Director Strengthens Program

Morgan Wortham joined MWBC as its new Managing Director at the beginning of the fiscal year. Ms. Wortham has 20 years of experience in economic and workforce development projects and urban planning, which allowed her to quickly assess and address grant management, pandemic programming, and staffing needs. She onboarded four talented staff members by November—two business counselors and two programmatic staff—to better serve MWBC clients and address the heightened needs caused by the pandemic to help businesses access relief programs and adjust their business strategies. New staff included:

- Bryan Thomas, a seasoned financial services executive, has been instrumental in program development and speaker acquisition, specializing in the WEgrow Maryland program and other financial literacy workshops.
- Thomas Squire serves as MWBC’s training and events manager, using his communications experience to coordinate, market, and promote workshops and events that help bridge MWBC services to the minority businesses that need them.
- Nestor Gavidia is a bilingual Associate Business Counselor who specializes in supporting childcare programs in Montgomery County. His passion for business and commitment to follow-through help Maryland entrepreneurs succeed.
- Karen Kalantzis is the new Associate Business Counselor for Frederick County. She leverages her experience as a small business community builder to connect entrepreneurs with people and resources needed to succeed. She implemented a monthly, virtual meetup called “Coffee & Connections” for Frederick entrepreneurs, which has been very successful. Ms. Kalantzis and Ms. Wortham also teamed up to serve as advisors and advocates for the Frederick County Chamber of Commerce’s inaugural S.H.E. Pitch program for female CEOs. MWBC promoted the program, which gives women entrepreneurs access to cash prizes, publicity, and networking opportunities as well as expert guidance on developing a catchy elevator pitch, investment summary and slide presentation deck.

Ms. Wortham has also managed the CARES Act funding and pandemic-response initiatives that supported businesses in this unprecedented time with direct counseling, virtual trainings and assistance, accessing relief, and helping businesses shift priorities and strategies. With her guidance, a master communications plan was developed, including social media as well as email and website communications, designed to position

REDI/MWBC as experts in resources and assistance for small businesses and entrepreneurs that continue to face hardships during the pandemic. Due to an increase in funding from the SBA to help the center reach more businesses virtually, a newly redesigned, mobile-friendly website was launched in February 2021. The new look and site architecture create a more-engaging user experience and easier access to critical information for businesses in every growth phase. Accompanying the launch of the new website, an enhanced blog was created. With its new design and content, blog statistics show:

- 111% increase in blog page views over the previous fiscal year
- 20% increase in site visitors entering the site through the blog
- 15.5% increase in time spent on the blog page

Virtual Trainings Successfully Revamped

To adapt to clients' needs, MWBC continued to offer all its workshops online, with better access on mobile devices, which is essential for the clients with whom MWBC works. More classes were available in Spanish to accommodate a growing Latinx client base, including a successful partnership with the SBA to offer Introduction to Entrepreneurship workshops in Spanish. Based on attendee feedback and growing 'Zoom fatigue' syndrome, MWBC staff streamlined the number of classes offered, while simultaneously enhancing the quality of the course material, speakers, and marketing efforts. As a result, MWBC organized and facilitated more than 70 workshops throughout FY 2021 with an attendance of nearly 1,200 people. This means that even with less actual workshop events more people attended, and attendance remained on par with last year's total and this year's proposed target.

Workshops were offered on numerous topics, including the following:

- Cybersecurity and technology
- Supply chain
- Pandemic response
- Export/Import
- Procurement
- Leadership
- Financial Management.

Capital Infusion Hits Record High

With guidance and support from MWBC, assisted Maryland entrepreneurs raised a total of \$6.5 million of capital infusion, of which \$494 million was in equity capital, and \$5.1 million was in business loans. This outpaced last year's capital infusion total by 182%.

Childcare Program Offers Needed Financial Training

MWBC Childcare program proved to be a vital resource for individuals wanting to start their own business in this industry. In FY 2021, business counselors assisted 329 clients, an increase of 34% over the previous year. Additionally, counselors offered more one-on-one assistance on a more regular basis; serving clients in 882 sessions (approximately 2.65 sessions per client), compared to 298 sessions (approximately 1.35 sessions per client) in FY 2020.

MWBC continued to be a leader in supporting the childcare industry by developing a workshop series to help childcare businesses position their finances to be able to take advantage of governmental relief and other financial resources. Bi-lingual workshops were offered, and training topics included developing a business plan, business and financial basics, management skills, marketing, budgeting, accounting, grant application process and assistance, and public funding.

Retail Incubator Supports Female Entrepreneurs

MWBC's competitive Retail Incubator located in Rockville Town Square serves women entrepreneurs looking to enter the retail industry. Primary services provided through the program include business counseling, program follow-up, technical assistance, and access to capital. Other services include training in marketing, digital marketing, bookkeeping, and creating business and financial plans. In the future, the program also hopes to offer the vendors training in visual merchandising. FY 2021 represents the third cohort of businesses and includes six new retail businesses:

- Amaya Accessories
- Chocolisious LLC
- Costa Cosmetics
- Lamimi Boutique
- SweetsbyCaroline
- Yuld'UZ

Since its inception, nine businesses have graduated from the Incubator with five businesses moving into their own storefronts in the metro DC area. Although the program currently operates without any capital funding due to the arrangement with Federal Realty Investment Trust to provide space at no cost, its success has prompted inquiries from other areas interested in replicating this program for their areas.

In July 2021, 11 of the 15 vendors received \$4,348.85 from Maryland RELIEF Act Online Sales and Telework Grant Assistance through MCEDC, which allowed all of them to make impactful improvements to their businesses.

Celebrating 10 Years of EmpowHERment

In recognition of the 10th anniversary of Maryland Women’s Business Center, a successful virtual celebration event was planned and executed in November 2020. The event featured guest emcee Jummy Olabanji from NBC4 and keynote speaker Monique Rose, owner and founder of Milk and Honey restaurants. The event drew 125 attendees and celebrated women empowHERment as well as MWBC successes over the past 10 years.

Below is a recap of some of MWBC’s major achievements in FY 2021.

Performance Measures	Proposed FY 2021	Actual FY 2021
Number of minority businesses assisted	n/a	357
Number of small businesses served	464	505
Number of MWBC workshop attendees	1,200	1,167
MWBC Client Capital Infusion (loans/equity)	\$500,000	\$6.5 M

Workforce Alignment

As businesses and workers adjust to rapidly changing work environments, data has indicated that employers are struggling to close the talent gap in addition to figuring out space needs. Despite a resilient economy during a global pandemic, employers cannot ignore the issues they face, such as the skills gap and labor shortage. This is especially true in the City of Rockville, as many of its jobs are focused on high-demand fields like STEM. This has been an issue before the pandemic and has only been exacerbated at the onset of the virus. New initiatives like the pilot program, Biotech Bootcamp, were created to help provide entry-level biotechnology training to county residents displaced due to COVID-19.

This program acts as a model for how we can help employers close the gap. However, there is still a need for a continued connection, discussion, info exchange with the business community and our partners to meet actual talent needs.

REDI hosted five Workforce Roundtable discussions in FY 2021. This series was put together with support from Dr. Kim Kelley, Vice President and Provost, Rockville Campus, Montgomery College who serves on the REDI Board and chairs REDI's Workforce/Education Committee. Representatives from more than 25 business, workforce, economic development, academic, nonprofit, technology, and other industry sector entities volunteered their time and expertise to serve as panelists and facilitators for the timely, vibrant discussions. As the series gained visibility, registration numbers steadily increased. More than 300 participants attended the combined events, representing many of Rockville's key industry segments. Timely topics included cybersecurity, workplace re-entry, mental health, creating community, and workforce education and employer needs and were presented to an audience of business leaders, human resource professionals, and educational leaders. This programming allowed conversations to happen between companies and business /education leaders to address area needs.

To continue the critical conversations that began during the Workforce Roundtable series, REDI has been diligent in connecting with its partners and some of the top employers in the City, such as Emmes, The MITRE Corporation, Montgomery College, and Montgomery County Public Schools. REDI has helped organize three forums that focused on bringing employers to the table to discuss their current needs in terms of talent.

These and future forums offer education and business leaders opportunities to have meaningful conversations about where the educational pathways are not meeting employer needs in terms of preparing college graduates to be immediately employable.

CONCLUSION

The pandemic has forever changed our world and community. However, it also highlighted the resilience and ingenuity of our business community and its support systems. FY 2021 continued to provide challenges with additional staff changes, ever-changing business needs, and the ongoing economic impacts of the pandemic. Despite all of these challenges,

REDI was able to show up as a reliable resource for the business community, the City, and our partners, and to effectively move strategic initiatives forward. Although the retail industry was one of the hardest-hit sectors, the City is starting to see a resurgence in activity as new deals are executed and new initiatives are carried out to promote the business community.

With a growing team and added enthusiasm, REDI is more than capable of facing new challenges and entering into the next phase of our mission in growing and promoting the City of Rockville as a prominent place to do business and live. We value our working relationships with the Mayor & Council and City Staff and together, we will work for a better Rockville. If there is anything that this pandemic has taught us is that teamwork is vital in accomplishing goals. We look forward to FY 2022, with our Strategic Initiatives and Work Plan for FY 2022 attached as **Exhibit B**, in serving as community innovators and strategic partners that will help to identify economic opportunities that will lead to a stronger Rockville.

Respectfully Submitted:

Susan Prince

Susan Prince
Board Chair

Cynthia Rivarde

Cynthia Rivarde
Chief Executive Officer

Attachments

Exhibit A - FY 2021 REDI Board Member List

Exhibit B - Strategic Initiatives and Work Plan for FY 2022

EXHIBIT A

FY2021 REDI Board Member List

Ahmed Ali, President and Founder, TISTA Science and Technology Corporation
Richard Alvarez, President, Brand Development-Rockville, Brand Institute
Nikhil Bijlani, Senior Vice President Product Manager, Capital Bank Maryland
Becky Briggs, Founder, OurGiftBiz
Scot Browning (Treasurer), President, Capital Bank Maryland
Angela Chaney, Partner Tax Services, Aronson LLC
Dale Cyr, CEO and Executive Director, Inteleos
Robert DiSpirito, City Manager, City of Rockville
Marji Graf, President and CEO, Rockville Chamber of Commerce
Jennifer Hester (Vice-Chair), Chief Human Resources Officer, EMMES
Dr. Kimberly Kelley, Vice President and Provost, Rockville Campus, Montgomery College
Bei Ma, Founder and CEO, The Pinea Group
Dan Mallon, Vice President, Business Development, Ellume USA
Carla Merritt, Senior Business Development Representative Montgomery County,
Maryland Department of Commerce
Bridget Donnell Newton, Mayor, City of Rockville
José Ochoa, Chief Business Officer, Altimmune, Inc.
Suzanne Osborn, Vice President, Human Resources, Westat
Todd Pearson, President, B.F. Saul Company
Susan Prince (Chair), Lead Health Cyber Operations,
The MITRE Corporation at the Centers for Medicare and Medicaid
Nancy Regelin (Vice-Chair), Shareholder/Partner, Shulman Rogers Law Firm
Morgan Sullivan, Executive Managing Director, Jones Lang LaSalle
Bill Tompkins, Executive Vice President & Chief Operating Officer,
Montgomery County Economic Development Corporation (MCEDC)

EXHIBIT B

Rockville Economic Development (REDI) FY 2022 Strategic Initiatives and Work Plan

Introduction

Rockville Economic Development, Inc. (REDI) is a nonprofit organization with a mission dedicated to identifying and developing economic opportunities to help Rockville prosper. REDI provide economic development services to the City of Rockville, Maryland through a Memorandum of Understanding (MOU), and works with the Mayor & Council as well as city staff to position Rockville as a 21st century city for business. The MOU requires REDI to provide a Strategic Initiatives and Work Plan for the coming year.

REDI is the City of Rockville's economic development organization and the point of contact for businesses who are looking to locate in the City or that have needs to help them grow or stay within the City. REDI works to increase jobs, the tax base, and capital investment within the City by assisting such businesses, as well as partnering with other economic development agencies such as Montgomery County Economic Development Corporation (MCEDC) and the State of Maryland Department of Commerce with whom we collaborate to bring new companies to Rockville. We also collaborate with other business organizations such as the Washington Board of Trade, Connect DMV, the Rockville Chamber of Commerce and the Montgomery County Chamber of Commerce in order to be visible to businesses who may need our services as well as to keep our hand on the pulse of business needs. Our services include:

- Assisting with expansion efforts
- Site selection assistance
- Fast track development coordination
- Assistance in navigating the governmental regulatory process
- Economic incentives for qualifying businesses
- Information about access to capital
- Access to economic data and demographic research
- Educating businesses about procurement opportunities
- Access to subject matter experts
- Serving as liaison to all levels of government

- Coordination with workforce development

Target Industries for Rockville:

- Bio Tech/Bio Health
- Technology/Cybersecurity
- Professional Services
- Hospitality
- Creative Industries

This document outlines the Strategic Initiatives and Work Plan that the REDI Board developed in 2021 to provide guidance for staff and the Board moving forward to meet the mission and vision of the organization in FY2022.

For FY2022, the Board is focusing on the following key areas:

- Marketing
- Business Retention/Expansion/Attraction
- Workforce/Talent Alignment
- Small Business Assistance

Each of these areas was discussed by the Board to determine a diagnosis of the top problem the organization would focus on solving, along with strategy and tactics for that issue.

The plan for growth in these areas are discussed below, along with qualitative and quantitative metric goals used to show performance.

Key Focus Areas

MARKETING

Diagnosis of the Problem:

Rockville still does not tell its story comprehensively enough about quality of life or reach a broader audience.

Strategy:

REDI will focus on highlighting livability in the greater Washington area emphasizing quality of life that includes diversity, housing, education, parks, arts and culture, restaurants, and events in order to attract the creative class by targeting businesses that enhance quality of life, as well as businesses, brokers and site selectors looking to locate where employees will have a great quality of life and be near key industry sectors.

Tactics:

- Hire a full-time marketing person to further craft and tell our story.
- Brand Rockville Commercial Districts and support programming that will attract visitors and businesses.
- Work to tell our story visually with video and photography.
- Work with the City to create and Arts and Entertainment District
- Work with the City on impactful projects like the Rockville Metro Station, Town Center, King Farm Farmstead, and RedGate Park.
- Enter into an MOU with Visit Montgomery to amplify our local tourism and participate on their Board.

Metrics:

- Place at least 2 advertisements in regional/national publications.
- Promote Rockville as a place to do business with at least 50 digital ads.
- Promote at least 150 Rockville companies through social media.
- Post at least 40 external articles sharing news about Rockville's industry sectors.
- Track page views on the new REDI and MWBC websites.
- Create and Launch the Rock East District.
- Create a Mural Program in the Rock East District.
- Create a tourism website and highlight Rockville's commercial districts and attractions.
- Participate and add business need perspective to City project discussions.
- Hire a full-time communications professional.

BUSINESS RETENTION/EXPANSION/ATTRACTION

Diagnosis of the Problem:

Businesses do not know about Rockville's competitive advantages.

Strategy:

Work to gather data, benchmarks, and information about business needs to craft a formal business retention, expansion and attraction plan as well as to provide more precise information about how Rockville meets business needs.

Tactics:

- Survey Rockville businesses to understand their needs including space needs, location and/or growth plans, amenity needs for employees.
- Survey brokers and site-selectors to understand how Rockville is perceived.
- Analyze who our competitors are - is Northern Virginia a competitor that we need to focus on?
- Analyze information about how our taxes and fees stack up to competitors.
- Comparison of our educational institution resources, quality of life, and amenities to competitors.
- Review of Incentive Programs to make sure they continue to be as effective as possible.

Metrics:

- Conduct at least 140 business visits or contacts (in person or virtual).
- Award at least 7 MOVE/Expansion grants with an average annual salary of \$95,000.
- Fill at least 35,000 SF of space by incentive grantee firms.
- Increase jobs by at least 100 through incentive programs.
- Hold/participate in at least 4 economic development/broker events sponsorships
- Host/promote at least 8 industry sector events.
- Complete the business/site selector surveys and develop conclusions and next steps.
- Survey all incentive recipients to determine effectiveness of programs.
- Develop a list of businesses in each target industry in Rockville.
- Continue to support the growth of Bio/Health businesses.
- Advocate for development of more small lab space in Rockville.

WORKFORCE/TALENT ALIGNMENT

Diagnosis of the Problem:

Rockville and Montgomery County have a talent gap issue where the employment needs of businesses are not met by the output of our local educational institutions.

Strategy:

Continue to work with the business leaders and educational leaders to highlight the topics of concern and make sure critical conversations are occurring to address the gap.

Tactics:

- Work with Worksource Montgomery, the Department of Commerce, Montgomery College, the Maryland Tech Council, the Universities of Shady Grove, the Chambers, MCEDC, Connect DMV, the Washington Board of Trade and MCPS to understand issues and facilitate conversations.
- Determine if Bio Health/Bio Tech are areas of most need? Are there other sectors? What is the emerging role of Quantum?
- Continue to champion the idea of a data portal between businesses and educational institutions - or other tool that will allow for planning to address the talent gap.
- Support and highlight the efforts of the Maryland Tech Council, Worksource Montgomery, Montgomery College, USG, and MCPS to provide training programs and resources to help businesses close the talent gaps.

Metrics:

- Facilitate/participate in meetings regarding employment/education pathways.
- Facilitate conversations between business and education leaders regarding talent needs and solutions.
- Promote area programs to businesses available to meet their talent needs.
- Encourage regional focus to address the talent/workforce needs.

SMALL BUSINESS ASSISTANCE

REDI provides small business and entrepreneur assistance through the SBA certified Maryland Women's Business Center (MWBC), as well as supports area incubators, especially the one located in Town Center. We also partner with other organizations that provide small business resources and assistance. Morgan Wortham joined the organization as the MWBC Managing Director in July 2020 in the midst of the pandemic. More specific strategic planning is anticipated with the Board in FY2022, which had to be on hold while responding to the national crisis.

Diagnosis of the Problem:

Small businesses were hit especially hard by the pandemic and have needed resources to respond, pivot and recover.

Strategy:

Continue to provide services through the MWBC to support businesses start, sustain and grow.

Tactics:

- Assist businesses with workshops and one on one counseling to help them start, grow and sustain.
- Provide support to childcare businesses with targeting workshop trainings.
- Assist businesses in applying for relief programs and finding funding sources.
- Assist women veteran entrepreneurs through a target program and access to Growth Wheel in partnership with area WBC's.
- Expand and refine the retail incubator program and highlight the client successes.
- Continue to provide programming on business plans, marketing plans, social media, procurement, import/export, remote operations and management, cybersecurity and financial literacy.
- Continue to refine the We Grow program that helps businesses scale.

Metrics:

- Provide at least 130 workshops through MWBC.
- Serve at least 1,200 MWBC workshop attendees.
- Strive to infuse at least \$500,000 in capital through MWBC client assistance within the City of Rockville.
- Assist at least 175 minority owned/operated businesses in Montgomery County and at least 30 in the City of Rockville through the MWBC.
- Participate on tenant review committee for the Rockville Incubator.
- Staff will act as mentors through the Maryland Tech Council program to support entrepreneurs in the technology and life science fields.
- Add new Advisory Board Members.

CONCLUSION

We look forward to serving the City in FY2022 and continuing to identify and develop economic opportunities for Rockville to make it as strong and resilient as possible, and to reinforce efforts to maintain and enhance the quality of life in Rockville as an attractive business location.