



CITY OF ROCKVILLE

ANNUAL REPORT

Fiscal Year 2024

July 2023 - June 2024

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EXECUTIVE SUMMARY

In Fiscal Year 2024 (FY 24), Rockville Economic Development, Inc. (REDI) continued to be a valuable and impactful resource helping businesses start, grow and locate in Rockville. Through REDI's efforts, **17 incentive grants** helped **create and maintain over 265 jobs**. **Expanded messaging and audience engagement resulted in a 161% increase in engagement reaching 700,289 individuals**. For targeted efforts, REDI led two important industry sector initiatives this year:

1. A **life science branding project** to address global messaging challenges and business attraction efforts, and;
2. A **study of our small-scale manufacturing business needs** by ReCast Cities, LLC, as Rockville has a competitive advantage being able to provide light industrial real estate options.

Through small business entrepreneurship support, **over \$480,000 revenue** has been generated **by 40 entrepreneurs** and small-scale artisan manufacturers over 5 years at **Rockville's Shop Local**, and **62 Rockville businesses received one-on-one business counseling**, and **275 participated in trainings** through the Maryland Women's Business Center (MWBC).

BACKGROUND

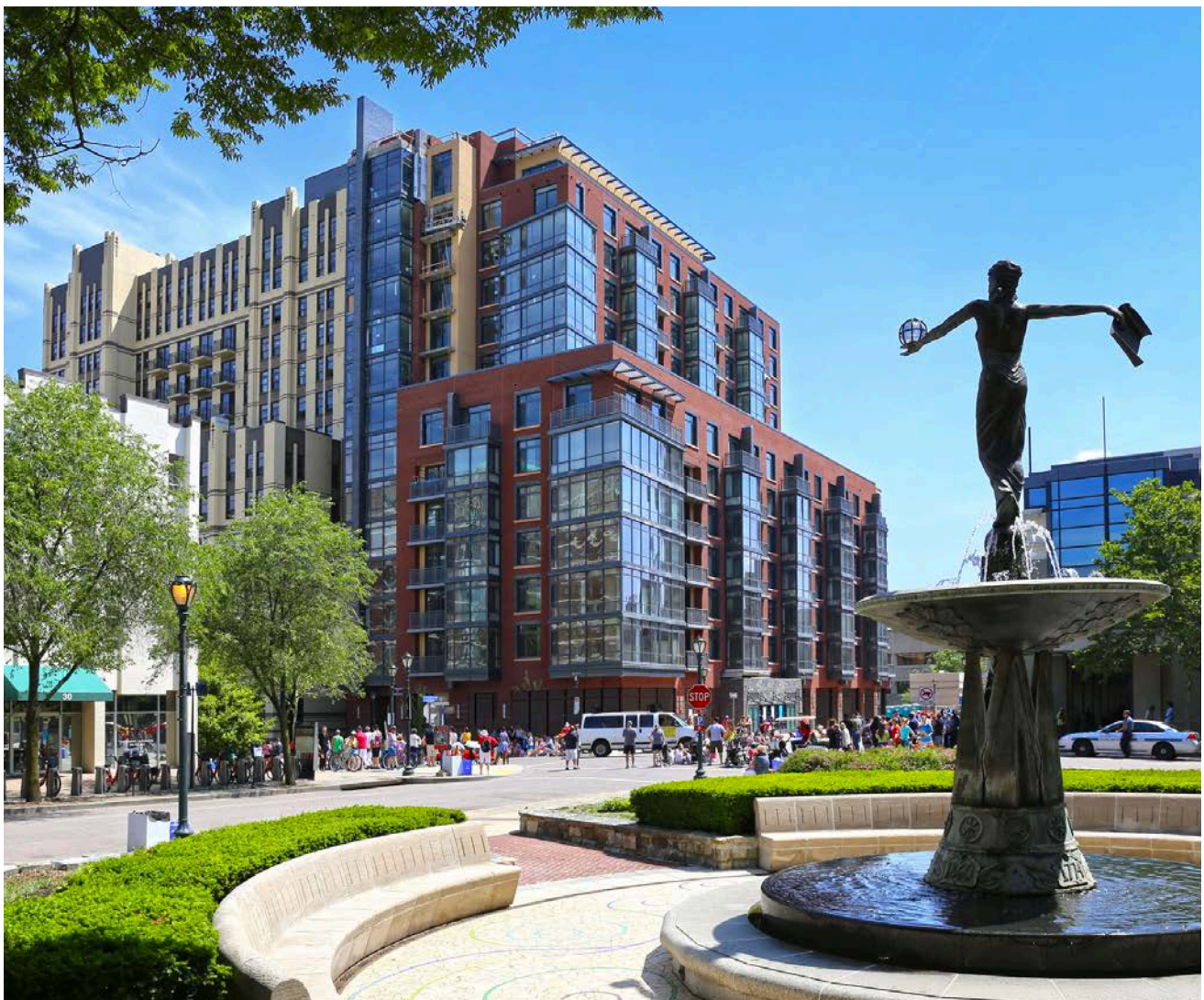
REDI was incorporated by the City of Rockville in 1997 as a non-profit organization to provide economic development services to the City. Now in its 27th year, REDI continues its mission to identify and develop economic opportunities to help Rockville prosper. The organization is managed by professional staff, led by Cynthia Rivarde, the Chief Executive Officer (CEO), reporting to a Board of Directors comprised of representatives from Rockville's business community who provide strategic policy direction to the staff. Susan Prince led the Board as Chair for a fourth year, serving with Nancy Regelin and Bei Ma as Vice-Chairs, and Todd Pearson as the Secretary/Treasurer. **The list of FY24 Board members is attached as Exhibit A.**

REDI develops initiatives to attract, retain, and grow businesses in Rockville, including highlighting amenities and activities that will be attractive to businesses and their employees. Funding for REDI is largely provided by the City of Rockville, but one of its signature programs, the MWBC, which provides technical assistance to small businesses, is funded by Federal grants through the Small Business Administration (SBA) as well as contributions from other local County and City governments and foundations. More information can be found at www.rockvilleredi.org, www.exploreroockville.org, and www.marylandwbc.org.

REDI provides the following key services:

- Location assistance
- Demographic and market information and research/resources
- Business attraction, expansion, and retention
- Administration of incentive programs and agreements
- Information on Rockville for employers and their employees
- Support for key City projects and placemaking efforts
- Technical assistance for small businesses and entrepreneurs
- Operation of several small business incubators including Shop Local, and support for home family childcare businesses
- Support for local educational institutions including their incubators, equity programs, tech and bio science training programs, and workforce alignment
- Support and promotion for tech transfer opportunities
- Promotion of local tourism including a calendar of events and business directory

REDI cultivates strong relationships with its partners including the City of Rockville, State of Maryland Department of Commerce, Montgomery County government, Montgomery County Economic Development Corp. (MCEDC), Montgomery County Chamber, The Greater Rockville Chamber of Commerce, Maryland Tech Council, Visit Montgomery, Worksource Montgomery, TEDCO and a host of other organizations within the region. These partnerships help REDI leverage resources to better serve the business community and be more competitive as a location of choice for businesses. The City of Rockville, as REDI's largest funder, provided essential FY 24 funding, as detailed in [Exhibit B](#), which highlights effective fiscal management and strategic allocation, ensuring sustained support for vital economic initiatives and programs.



FOCUS & PROGRESS - FY 24

Rockville and the surrounding area continue to be challenged with a return to business post pandemic, with much of the office inventory increasing in vacancies as businesses take less space and allow remote work. Hybrid work schedules are affecting revenue for the metro and seem to have permanently altered the business landscape. The lack of new housing stock has also resulted in increasing prices and values in residential, reducing the availability of affordable housing for many, including a good portion of the workforce. Entrepreneurship and small-scale manufacturing are flourishing and provide opportunities for many to support their families and grow generational wealth potential.

In FY 24, REDI identified the following challenges to address in its Strategic Initiatives and Work Plan, with associated progress noted in the following areas:



BUSINESS RETENTION/ EXPANSION/ATTRACTION

MARKETING/TOURISM



CREATIVE INDUSTRIES, PLACEMAKING & CITY PROJECTS

SMALL BUSINESS SUPPORT



This report explores the issues identified by the Board during its annual strategic planning session and some high level targeted actions REDI took to address the identified issues.



BUSINESS RETENTION/ EXPANSION/ ATTRACTION

THE ISSUE:

Not enough businesses and partners fully understand the benefits of locating in Rockville.

TARGETED ACTIONS:

- 1** REDI issued an updated business guide to provide at a glance resources and contacts to businesses, which is also a welcoming piece of collateral for new businesses coming to Rockville.
- 2** With a \$100,000 placemaking grant from Montgomery County, REDI commissioned a study of the small-scale manufacturing opportunities in Rockville and started industry sector engagement. This is a rapidly growing industry sector that supports diverse business owners and their families, and which needs technical business support.
- 3** REDI participates in conventions and trade shows throughout the year to promote Rockville as a location of choice for businesses. This includes the International Bio Show and providing materials to the County Executive and MCEDC for their international business missions.
- 4** REDI continues attraction, retention, and expansion efforts to help to maintain and grow the tax base, increase employment and capital investment in the City. This includes providing incentives to businesses through incentive programs. In FY 24, grants were made to:

Grantee	Grant	Location	Employee count	Capital Investment/Public Benefit/ Notes
Sheladia Associates - HQ	\$10,000 – tailored to retain and help relocate	2099 Gaither Road	58	9,000 square feet for this 30+ year Rockville employer that provides professional engineering services
Quantum Financial Advisors	\$1,500 SBIF	51 Monroe Street, Sute 1902	9	Created the international intern incubator for high school, undergraduate and graduate students
Unlimited Detailing	\$20,000 SBIF	2383 Lewis Avenue	2	Employs individuals facing barriers to employment
Walking Liberty	\$25,000 SBIF	302 King Farm Boulevard, Unit 140	2	Organizing adoption and rescue events
Chaney Communications*	\$15,000 SBIF	199 E. Montgomery Avenue, Suite 100	3	Offers courses free of charge to businesses
Cottage Monet, LLC*	\$5,000 SBIF	36 Maryland Avenue	1	Partners with Luxmanor Elementary School
Decipher Events, LLC (Cutesy)*	\$24,900 SBIF	107 Gibbs Street, Unit D	2	Provides free or reduced services to less fortunate families
Launch SP, LLC*	\$25,000 SBIF	702 King Farm Boulevard, Suite 150	9	LaunchCARES Charity Race
Nature by Trejok*	\$25,000 SBIF	130 Gibbs Street, Unit B	1	Collaborates with Upcountry community resources
DM Rockville, LLC (Dawsons)	\$200,000 SBIF	225 N. Washington Street	59	Employs Rockville residents with varying abilities, organizes community events, and highlights local products
Edge Healthcare/AFC Urgent Care	\$12,728 MOVE	802 Pleasant Drive	10	\$700,000 in capital investment
Premium Health Care, LLC	\$10,452 MOVE	1401 Rockville Pike, Ste 110	7	\$10,000 in capital investment
Omega 3 Nutrition	\$14,800 MOVE	1313 E. Gude Drive	7	\$35,000 in capital investment
Montage Marketing Group	\$34,800 MOVE	535 Southlawn Lane A/5 A/1	10	\$25,000 in capital investment

Grantee	Grant	Location	Employee count	Capital Investment/Public Benefit/ Notes
MasPanadas/Latin Goodness	\$5,000 SBIF	14672-B Southlawn Lane and 601 Dover Road	72	Employs individuals facing barriers to employment
Wani Designs	\$3,000 SBIF	130 Gibbs Street, Unit A	3	Offers free and reduced art events for families; hosts social events focused on arts and culture
Viet Food LLC	\$3,000 SBIF	2200 Viers Mill Road	10	Organize various fund-raising events to support local schools

*Businesses with asterisks were awarded in FY 23 and paid in FY 24



- 5 Visits with existing businesses help identify current needs and strengthen relationships and connectivity to Rockville. This year, REDI had 176 unique business visits, exceeding the projected metric of 100 business visits. This included visits with commercial property owners like Morguard, Comstock, Urban Edge, Sterling Organization, Alexandria Real Estate, Banyan Street Capital, Fanaroff & Steppa, Tan & Associates and Foulger Pratt to support their attraction/retention of tenants including MaximBio, Sepio, Sheladia Associates, Omega 3 Nutrition, Downtown Brews, Capital Pain Center, AFC Urgent Care, and Viet Food.
-

THE ISSUE:

Rockville does not attract enough Bio/Life Sciences, Tech and emerging technology companies, and needs to leverage partnerships to increase investment and continue to develop a talented workforce

TARGETED ACTIONS:

- 1 REDI commissioned a branding project with Medium Giant and worked with partner stakeholders and industry leaders to develop a recognizable identity for Montgomery County when promoting our strongest industry sector of life/bio sciences, especially internationally, as we have struggled for years with a lack of cohesive and adoptable identity. This project is currently at the logo development stage and should fully launch in FY 25.

2

In addition to general business visits, REDI specifically focused visits on the bio/life science sector as our strongest industry area, which has been identified as **third in the country** due primarily to the highly educated workforce in the region. Some of these visits/attraction/retention efforts included:

- **Arcellx** moved into 800 King Farm relocating from Gaithersburg. REDI coordinated a visit with their senior leadership who flew in from the Bay Area to meet with Mayor Ashton, the County Executive, REDI and MCEDC. This company is making great advances in eradicating multiple-myeloma with T-cell technology. They have approximately 140 employees, most of whom are in Rockville. They selected Rockville because of the availability of scientists and technical employees. They wanted more information on local tourism to help with employee attraction.
- **Astra Zeneca** is opening a new T-cell manufacturing plant just outside of the City boundary, but with a Rockville address. Mayor Ashton, REDI and the Chamber met with the project manager to understand their growing needs. The Mayor and REDI also met with the local head of real estate for Alexandria Realty, which owns the new building as well as a number of others in the Shady Grove/Research Boulevard area.
- In March 2024 , REDI participated in a **Bus Rapid Transit (BRT)** tour of the County organized by Montgomery County Government and MCEDC, which was attended by Maryland Lt. Governor Aruna Miller and Secretary of State Susan Lee. This tour emphasized the BRT impact on the County and highlighted Rockville as one of the major hubs for Life Science. Stops included Montgomery College, Universities at Shady Grove (USG) and GSK's Rockville campus.



MARKETING/ TOURISM

THE ISSUE:

Targeted audiences are not receiving a tailored enough narrative on the benefits of Rockville

TARGETED ACTIONS:

- 1** Communications and Marketing staff manage a number of communication channels to reach a variety of audiences including: websites rockvilleredi.org, marylandwbc.org, explorerockville.org, mwbcshoplocal.com; newsletters; social media; and advertising. In FY 24, REDI's total marketing communication audience reach was 700,289 individuals, a 161% increase over FY 23.
- 2** REDI's Business Spotlight series, published on REDI's website and promoted through social media and newsletters, provides insight on the reasons small businesses chose Rockville and highlights the demographic and industry diversity of the local business community.
- 3** The new BioBoost programming focused on building the life science community introduced conversations about venture capital opportunities, which is an area where growth and investment is needed to compete with our top competition - Boston and California.
- 4** REDI partners with Visit Montgomery to offer information on Rockville's attractions and events, aiming to enhance employee attraction and retention. The Explore Rockville website received an Award of Distinction from the Communicator Awards for design and effectiveness, acknowledging that REDI's work developing the local tourism site is top quality and compelling. Explore Rockville continues to grow as a valuable resource to the community.

5

REDI has been working with the City to support retailers and restaurants in recovering from the pandemic. In FY 24 this included growing Rockville Rewards by adding focus on the international dining scene through a Global Bites Festival and restaurant promotions during Dining Days. These efforts enhance Visit Montgomery's Moco Eats campaigns and destination branding as the cultural capital of Maryland, highlighting Rockville as a diverse, welcoming city with a vibrant international dining scene, allowing both organizations to leverage each other's efforts.

6

REDI and MWBC partnered with the U.S. Department of State to host the WEAmericas Program and Women's Economic Empowerment Tour. These initiatives highlighted the crucial role of women-owned businesses in driving economic development and showcased Rockville's support of women-owned and underrepresented community-owned enterprises.

7

The entrepreneurial ecosystem is one of the strongest sectors in Maryland's capital region with Rockville adding to the diverse and innovative businesses and workforce. REDI promoted the study of small-scale manufacturing, held events to engage businesses and business organizations like the Montgomery County Black Collective, Hispanic Chamber of Commerce of Montgomery County and Asian American Chamber of Commerce, as well as women's entrepreneurship at the Women's History month summit EmpowHER, and other networking events.



CREATIVE INDUSTRIES, PLACEMAKING & CITY PROJECTS

THE ISSUE:

Employers are continuing to allow hybrid work schedules in response to employee demand, which is making it hard to fill office space and attract workers who want a desirable quality of life and plentiful amenities

TARGETED ACTIONS:

1

REDI contributed to a number of community and placemaking efforts by the City including the Town Center planning, Metro Station planning, Historical Tax Credit analysis, and the zoning code rewrite.

2

Since 2019, Rockville's Shop Local incubator powered by MWBC in Town Square has attracted shoppers and showcased our emerging local retailers and small-scale manufacturers. This program has generated over \$480,000 in retail revenue and graduated almost 40 businesses.

3

REDI highlights the importance of art and creativity by featuring area artists' work at its office. This year REDI exhibited the art of Terry Thompson, a banker/artist, allowing dialogue about the importance between business and the arts, and demonstrating how creative thinking results in more engaged and innovative work output.



SMALL BUSINESS SUPPORT

THE ISSUE:

Entrepreneurs have distinctive small business requirements, however additional data is needed to gain a better understanding of their needs

TARGETED ACTIONS:

- 1** Based on feedback from the FY 23 Rockville Business Needs Assessment Survey, MWBC retooled its Elements of Entrepreneurship workshops for aspiring entrepreneurs. These enhancements provide targeted support and resources, better equipping participants to start and grow successful businesses in Rockville.
- 2** The business survey also highlighted the need for more networking opportunities, especially for entrepreneurs isolated in their endeavors. In response, MWBC created the IntHERact program, fostering small group engagement with successful business owners to develop support networks and inspire business owners.
- 3** MWBC hosted the second annual EmpowHER event at the Universities of Shady Grove in FY 24, which saw almost 200 attendees who engaged in networking, learning and collaboration during Women's History Month.

THE ISSUE:

There needs to be a clear ecosystem map of small business resources

TARGETED ACTIONS:

1

REDI continues to work with numerous partners including MCEDC, Montgomery County small business centers and incubators, the Maryland Tech Council, and TEDCO, to support entrepreneurs at all stages of development. This complex system maximizes technical assistance and support, facilitating referrals and enhanced resources to help local businesses start and grow. MWBC continues to hone its unique offerings like its signature incubator programs.

THE ISSUE:

REDI needs to provide direct small business support to Rockville businesses and let businesses know about available resources

TARGETED ACTIONS:

1

In addition to the Shop Local retail incubator in Rockville Town Square, REDI is procuring technical workshops for small-scale manufacturing from 37 Oaks in FY 25. These workshops will educate and empower Rockville businesses for successful manufacturing and growth in such areas as supply chain, distribution, and leveraging e-commerce.

2

MWBC partnered with Rockville's Procurement Division to launch the "How to Do Business with the City of Rockville" series. This initiative provides entrepreneurs with valuable insights, connections with City staff, and information about programs like Rockville's Minority, Female, Disabled, or Veteran-Owned (MFD-V) business outreach procurement program.

- 3 In FY 24, MWBC continued to grow support of Rockville businesses by providing one-on-one business counseling to 62 Rockville businesses (a 17% increase from FY 23), training to 275 Rockville businesses.
- 4 MWBC transitioned to the GrowthWheel platform in FY 24, providing our consultants with a powerful tool to identify critical focus areas for business counseling. The platform's resources are available in both English and Spanish, enabling MWBC to effectively meet clients where they are and better serve Rockville's business community. More information on GrowthWheel can be found at www.growthwheel.com/entrepreneurs. Visit marylandwbc.org/business-counseling/ for counseling services.
- 5 Retail, restaurant and many service businesses can list their information in the business directory on Explore Rockville's website, increasing visibility and connecting them with residents and visitors. This exposure can help drive traffic and enhance brand presence while supporting Rockville's vibrant local economy.



THE ISSUE:

MWBC needs to secure more funding

TARGETED ACTIONS:

1

MWBC supports its programming with funding from federal and local government entities. In FY 24, the program covered its expenses with the following funds:

Funding Source	Amount
Federal SBA	\$300,000
City of Rockville	\$35,000
Montgomery County	\$64,800
Montgomery County Dept. of Human & Health Services	\$30,000
Montgomery County Economic Development Corporation	\$10,000
Frederick County	\$35,000
Frederick County (grant program)	\$10,000
City of Frederick	\$10,000
City of Bowie	\$20,000
Other Program Income	\$57,300

FY 24 REDI METRICS

Annually REDI provides proposed metrics to the City along with its budget request. REDI's performance in these areas is as follows:

Performance Measures	Proposed	Actual
Number of strategically placed print ads in regional/national publications	2	4
Reach of REDI advertising/marketing communications	25,000	700,289
Number of digital posts promoting Rockville as a place to do business	60	149
Number of visits/meetings w/existing businesses	75	95
Number of business visits w/potential prospects	25	60
Number of new businesses attracted to the City	15	13
Number of business expansions	15	0
Business Incentive Grant recipients (Move/Expansion) and Small Business Impact Fund recipients	9	17
Square footage of new space leased by grantees	35,000	18,915
Aggregate average annual salaries for grantee firms	95,000	85,000
Number of full-time jobs added to Rockville through grantees	100	34
Number of Maryland Women Business Center (MWBC) workshops offered to entrepreneurs	120	128
Number of MWBC workshop attendees	1,200	1,372 (275 Rockville)
MWBC Capital Infusion in Rockville	\$600,000	\$1,400,000
Under-served community-owned businesses assisted		
Montgomery County	200	214
City of Rockville	75	166
Number of Rockville companies promoted through social media	175	240
Number of broker/economic development event sponsorships where REDI receives brand recognition	8	12
Number of industry sector events hosted/promoted	15	33
Number of external articles posted that share news about Rockville's industry sectors	60	88

CONCLUSION

Despite market challenges, REDI and the City of Rockville had another successful year. REDI has been diligent in identifying challenges Rockville faces to sustain its competitive edge as a premier location to do business and continues to focus its resources and time to act as a better connector, storyteller, and problem solver. This year:

LIFE SCIENCE BRANDING PROJECT - PARTNERSHIPS. REDI retained Medium Giant to survey stakeholders and develop a brand identity and strategy regarding the Life/Bio Science sector of which Rockville is the epicenter. REDI enlisted partners like MCEDC, USG, Montgomery County Government, the City of Gaithersburg and the Maryland Tech Council to participate in the branding initiative that will amplify messaging and promotion of the region currently ranked #3 nationally for bio/life sciences.

SMALL SCALE MANUFACTURING STUDY. REDI retained Recast Cities, LLC which helped analyze and develop an approach to attracting, retaining and growing small-scale manufacturing, a sector where Rockville has a competitive edge due to its ability to offer light industrial space.

BIOBOOST INITIATIVE. REDI launched a new initiative to develop an engaged community of talent in the bio/life sciences and related industries with hyper-local events to support the industry ecosystem in Rockville.

GOVERNOR MOORE ADMINISTRATION. REDI has been able to focus visitors from the Governor's office on Rockville assets on multiple tours, arranged for in our area, to impress upon them the importance of our City as a key economic engine for the state.

INCENTIVE PROGRAM ADMINISTRATION. The incentive programs continue to support and attract businesses across Rockville and are a tool that makes Rockville competitive with other jurisdictions who do not offer the same support.

BUSINESS WELCOME PACKET. REDI updated the business welcome packet, created tailored marketing materials, and grew audiences for its various communication channels by highlighting our diverse businesses and resources.

EXPLORE ROCKVILLE WEBSITE. Explore Rockville continues to grow as an asset and resource to the community providing a business directory and calendar of events, driving traffic to Rockville businesses.

GLOBAL BITES FOOD FESTIVAL. The Global Bites initiative grew in its second year to include a kickoff festival and two weeks of dining deals through the Rockville Rewards program.

BUSINESS SUPPORT. REDI continues to provide technical support for clients who want to start and grow their own businesses, contributing to the health entrepreneurial ecosystem. The Shop Local retail incubator continues to grow in programming and popularity.

In Fiscal Year 2025, REDI will focus on key industry sectors, in particular: Bio/Life Science, Small-Scale Manufacturing, Green Tech, and Small Business support.



REDI FY 25 Strategic Planning Session - April 2024

EXHIBIT A

FY 24 REDI Board Member List

Richard Alvarez, President, Brand Development - Rockville, **Brand Institute**

Ben Anstrom, Mechanical Engineer at the **Naval Surface Warfare Center**

LaVonne Torrence Berner, Founder/Principal Attorney, **Torrence Law Office**

Nikhil Bijlani, Senior Vice President, Head of Deposit, Product and Operations, **Capital Bank Maryland**

Angela Chaney, Partner Tax Services, **Aprio LLC**

Nick Fullenkamp, Vice President Corporate Development, **Vaccitech**

Barack Matite/Craig Simoneau, Acting City Manager, **City of Rockville** (following Rob DiSpirito)

Marji Graf, President and CEO, **Greater Rockville Chamber of Commerce**

Kelly Groff, CEO, **Visit Montgomery**

Alton Henley, Dean of Instruction for Business, Economics, Accounting, Computer Applications, Hospitality Management and Paralegal Studies, **Montgomery College**

Bei Ma (Vice Chair), Founder and CEO, **The Pinea Group**

Carla Merritt, Senior Business Development Representative Montgomery County, **Maryland Department of Commerce**

Monique Ashton, Mayor, **City of Rockville** (following Bridget Newton)

Suzanne Osborn, Vice President, Human Resources, **Westat**

Todd Pearson (Treasurer), President, **B.F. Saul Company**

Susan Prince (Chair), Principal Health Cyber Operations, **The MITRE Corporation** at the Centers for Medicare and Medicaid

Nancy Regelin (Vice-Chair), Shareholder/Partner, **Shulman Rogers Law Firm**

Michael Scott, MBA

Morgan Sullivan, Executive Managing Director, **Jones Lang LaSalle**

Bill Tompkins, President & Chief Operating Officer, **Montgomery County Economic Development Corporation (MCEDC)**

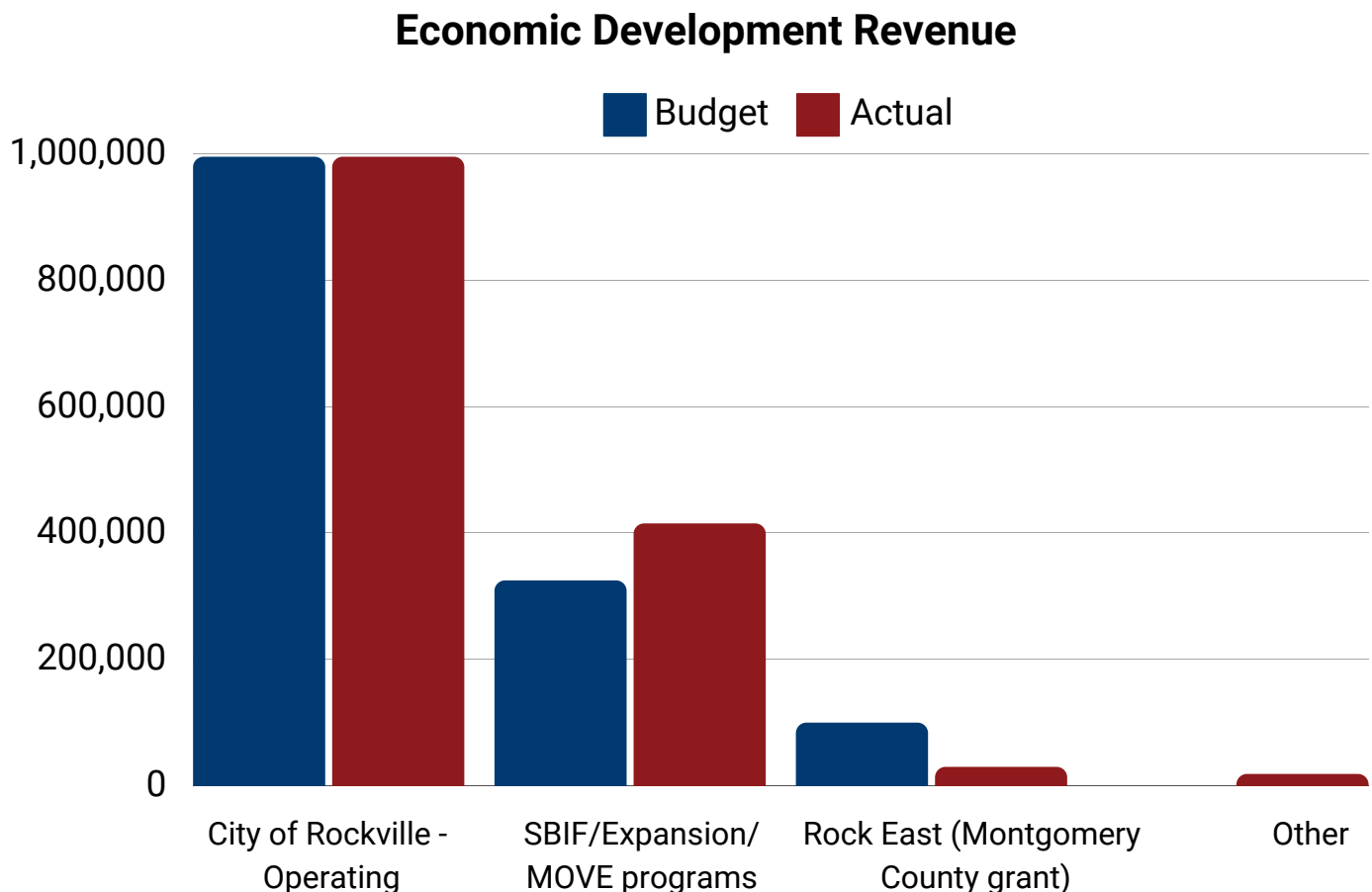
Cliff Veirs, Lead Agent, **C. Clifton Veirs Agency**

G. Justin Yang, CEO and Co-Founder, **DMV Bio**

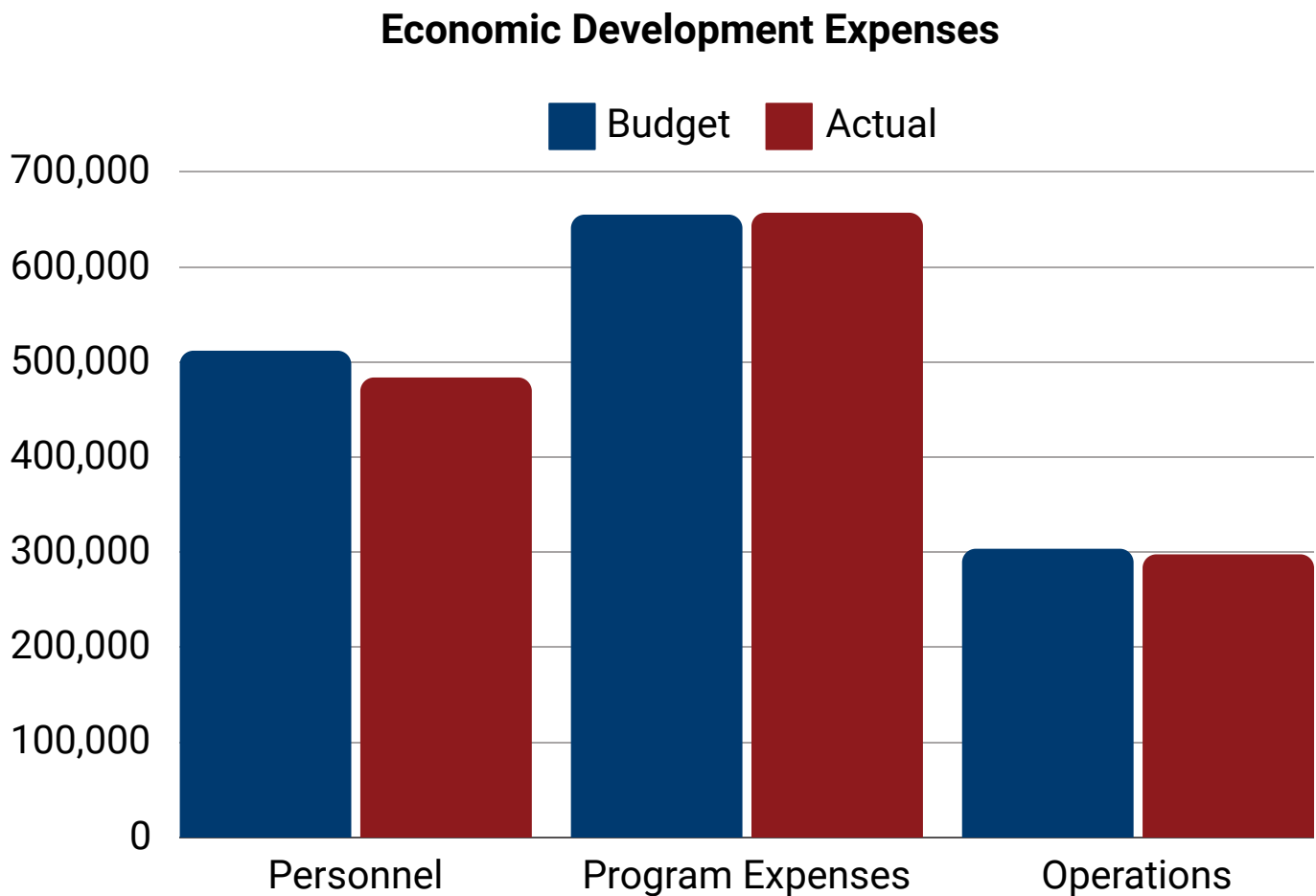
EXHIBIT B

City of Rockville Funding and Spending Report

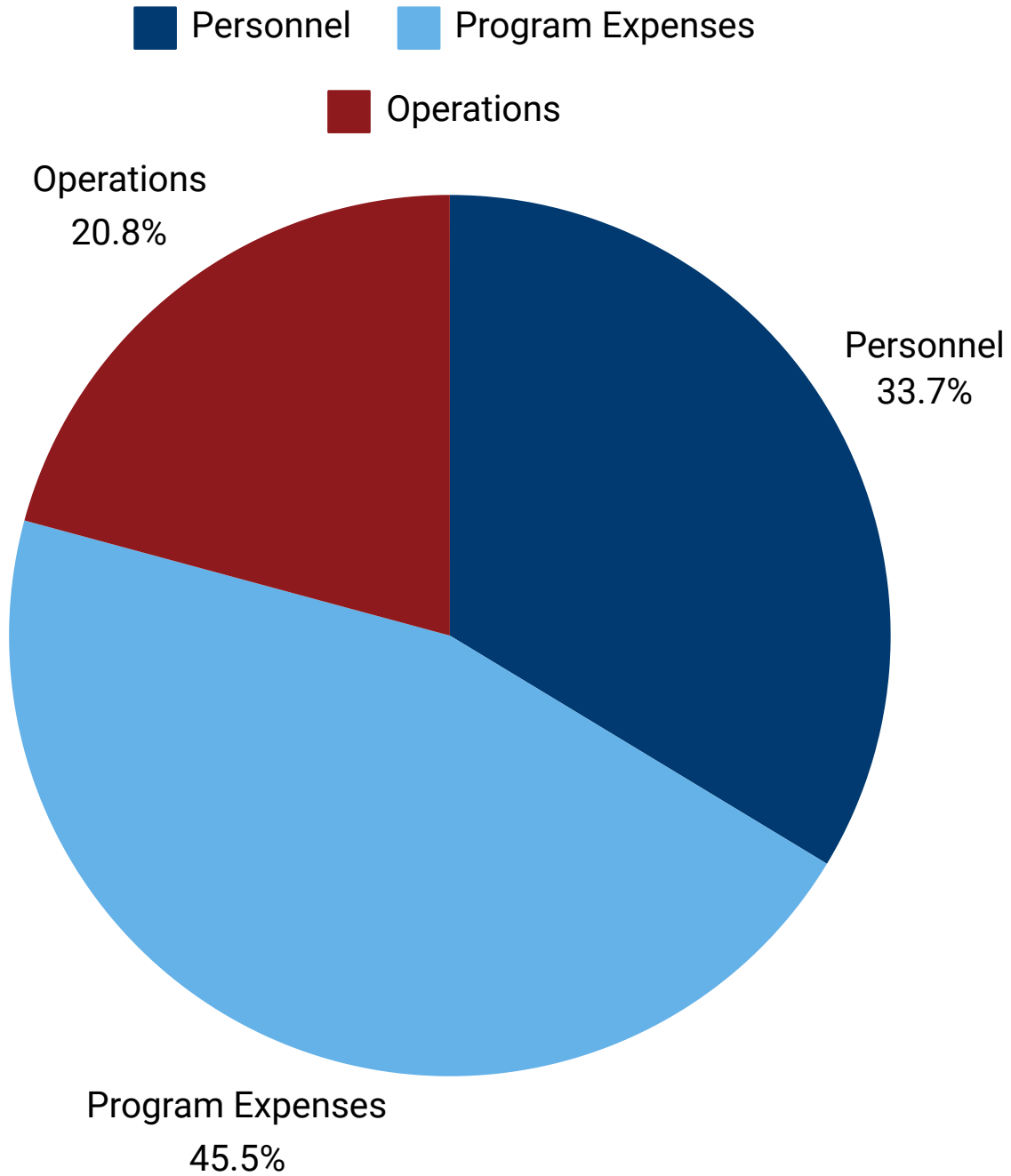
Economic Development Revenue	Budget	Actual
City of Rockville - Operating	995,330	995,330
SBIF/Expansion/MOVE programs	325,000	415,180
Rock East (Montgomery County grant)	100,000	30,000
Other	-	18,809
Total Revenue	1,420,330	1,459,319



Economic Development Expenses	Budget	Actual
Personnel	511,849	483,669
Program Expenses	654,985	657,011
Operations	303,496	297,615
Total Expenses	1,470,330	1,438,294



Economic Development Expenses





rockvilleredi.org



301-315-8096



@rockvilleredi