



MINUTES

Board of Directors Working Session

Ensure that REDI stays nimble and proactive during this unprecedented and fast changing time

April 26, 2025, 8:00 a.m.

Shulman Rogers, 12505 Park Potomac Avenue, Potomac, MD 10854

ATTENDANCE

Board attendees:

LaVonne Torrence Berner, Marji Graf, Kelly Groff, Bei Ma, Dan Mallon, CJ Overly, Todd Pearson, Susan Prince, Nancy Regelin, Bill Tompkins, Cliff Viers, Justin Yang. Liaisons: Monique Ashton, Jeff Mihelich

Absent Board Members:

Richard Alvarez, Nikhil Bijlani, Nick Fullenkamp, Muhammad Kehnemouyi, Carla Merritt, Suzanne Osborn, Morgan Sullivan

Other attendees:

Staff: Cindy Rivarde, Richelle Wilson, Amanda Bosland, Karen Sippel, Priscilla Der, Yesenia Cruz, Zeinna Estrada, Martha Jimenez, Mallory Carlson

Councilmembers: Adam Van Grak, Barry Jackson, Kate Fulton, Marissa Valeri

City Staff: Dave Gottesman (Assistant City Manager), Ricky Barker (Director DPDS), Manisha Tewari (DPDS Planning and Research Manager)

Other Attendees: Mark Pierzchala (Former Councilmember), Sean Eagan (Sr. Manufacturing Engineer Regenxbio/Bio Committee), Tommy Luginbill (Executive Director Pinkney Innovation Complex for Science and Technology), Natalya Bah (Natalya Bah Consulting/Montgomery College), Paul Newman (Former REDI Board Chair), Jim Soltesz (President and CEO Soltesz Engineering)

Speaker: Stephen Rice, Deputy Secretary of Commerce

WELCOME AND PRESENTATIONS

Welcome and Goals for Session

Nancy Regelin

Ms. Regelin welcomed everyone about 8:05 a.m. and stated that the purpose of the retreat is for the staff to use the expertise of the Board and attendees to help set strategic goals for the next fiscal year. This is done with the Richard Rumelt approach to good strategy – starting with identification of what are the problems that REDI should seek to address in the coming year. Over the last six years, REDI has made great strides in general marketing, business development, key industry areas and small business support. This year, given the fast-changing environment due to shifts in federal funding and workforce, the attendees were asked to focus on the positive assets that Rockville has, to position REDI to be nimble and proactive in order to keep Rockville positioned for the most positive impact.

Presentation and Discussion - Why Rockville and Review of FY25 Strategic Plan

Cindy Rivarde/Richelle Wilson

A detailed overview of potential impact of federal layoffs and other market data was sent to the attendees in advance. As Ms. Regelin noted, the attendees are asked to focus on Rockville's Assets. A handout was provided that had a number of assets listed for reference, which were taken from prior SWOT analyses. The other side of the handout had a summary of the REDI FY2025 Strategic Plan, with a focus on three key industry sectors: Life/Bio Science, Small-Scale Manufacturing, and Clean Technology. The new State strategic plan summary was also provided showing three lighthouse industry sectors of Computational Biology, Quantum Computing and Position/Navigation/Timing. The State plans to focus on these lighthouse sectors to create a world-class innovation pipeline and extend Maryland's talent advantage.

Presentation and Discussion – How is the State leading Economic Development

Stephen Rice, Deputy Secretary of Commerce

Mr. Rice stated that it is important for Maryland to own its own future. Talented workforce is a key asset for the State – but so is innovation and entrepreneurship. Mr. Rice said that Maryland can focus on being the start up state, leveraging all of the technological innovations happening here in bio computing, quantum, life sciences, and other areas. The Governor presented his Decade Act Bill during the legislative session as the roadmap for moving Maryland forward, however, the bill did not pass.

Some key ideas raised by Mr. Rice include:

- Making sure the State has identified site ready locations for attraction efforts, with a certified site readiness program led by MEDCO.
- Aligning strategy and branding between local jurisdictions and the State efforts.
- Having the Governor proactively make prospecting calls at the front end of attraction efforts based on lists generated by staff.

- Creating the Governor's Office of Business Advancement to give white glove assistance through regulatory and other processes to get big projects up and running.
- Having a working group looking at the energy grid issues needed for data centers and AI companies/uses.
- Growing venture capital and private equity is important, as this is an area that Maryland is behind. The Secretary of Commerce has given this as a metric to his staff.

It was noted that energy issues are of great concern to attendees, and the inability to get transformers or have an adequate power grid is delaying important projects. There also may need to be some legislative changes to address this.

The impact of Federal layoffs and defunding on the FDA, NIH and HHS was brought up along with the concern this will have on impacting the local workforce as well as how the tariffs will affect supply chains. It was noted that biomanufacturing uses around 70% of raw materials coming from overseas, and that there may be an inability to properly stock hospital supplies.

BREAKOUT SESSIONS

Break Out Session Number 1 – What can REDI impact in FY26 – Strategic Goals

Attendees were asked to discuss what opportunities and leveraging of assets can REDI impact in FY26 – what FY25 Strategic Initiatives should be retained, what should be tweaked, and what new opportunities/initiatives should be considered.

Topics to consider included:

- What are our inherent assets that we should promote?
- How can we leverage efforts of partners/who could be additional partners?
- How can REDI impact
 - Technical innovation sectors like bio/life science, med tech, pharma, AI, robotics, quantum, aerospace/navigation, small scale nuclear, etc.
 - How can we continue to support and grow small scale manufacturing and small business – which is a great opportunity for building generational wealth and local community businesses?
 - How do we continue to cultivate thriving commercial districts?
 - How to encourage the identity of Rockville for cultural amenities and destination marketing?

Bring Back to the full group: Ideas on how REDI can move the needle on current opportunities and challenges.

GROUP 1	GROUP 2	GROUP 3	GROUP 4
Natalya Bah	Kelly Groff	Justin Yang	Karen Sippel
Monique Ashton	Paul Newman	Cliff Viers	Marji Graf
Bei Ma	Barry Jackson	Amanda Bosland	Manisha Tewari
LaVonne Torrence Berner	Zeinna Estrada	Tommy Luginbill	Susan Prince

Kate Fulton	Richelle Wilson	Nancy Regelin	Sean Eagan
Dan Mallon	Mark Pierzchala	Bill Tompkins	Ricky Barker
Todd Pearson		Dave Gottesman	CJ Overly
Martha Jimenez		Jim Soltesz	Yesenia Cruz
		Marissa Valeri	Adam Van Grak
		Jeff Mihelich	
		Mallory Carlson	

Names in Bold were Notetakers

The following list of strategic initiatives/areas of impact were developed by the groups.

1. Keep the focus on bio/life science, small-scale manufacturing, and climate/clean technology – and think about diversifying other areas in technology (The FY25 Plan is pretty good)
2. Focus on entrepreneurship ecosystem and development
3. Grow and incentivize private investment
4. Explore a Rockville Office of Business Advancement inspired by the Governor's Office of Business Advancement (GOBA) to provide concierge service for navigating permits and trouble-shooting issues within government – so there is a seamless experience for businesses/remove uncertainty
5. Support Annexation that enhances economic development potential
6. Research micro data centers and small-scale power/energy opportunities
7. Research tax incentives, credits and debt leverage
8. Increase marketing and engagement with site selectors (always a goal)
9. Continue to create and market commercial districts and amenities
10. Focus on the support services industry sector that helps our bio companies thrive and remain in Rockville
11. Focus on housing as an industry sector

Break Out Session Number 2 - Prioritize Goals for FY26 and brainstorm suggested tactics

Some topics to consider include:

- What are our most pressing needs?
- What is low hanging fruit?
- Where does Rockville continue to be strong despite recent challenges to the economy?
- What investment do we recommend being made to help achieve our goals?
- How do we leverage partnerships?
- What markets should we target?

GROUP 1	GROUP 2	GROUP 3	GROUP 4
CJ Overly	Susan Prince	Natalya Bah	Richelle Wilson
LaVonne Torrence Berner	Nancy Regelin	Dan Mallon	Ricky Barker
Marji Graf	Mark Pierzchala	Kelly Groff	Dave Gottesman
Sean Eagan	Cliff Viers	Todd Pearson	Bei Ma
Bill Tompkins	Amanda Bosland	Zeinna Estrada	Manisha Tewari
Karen Sippel	Mallory Carlson	Jeff Mihelich	Kate Fulton

Barry Jackson		Adam Van Grak	Monique Ashton
Justin Yang		Martha Jimenez	Paul Newman
Yesenia Cruz			
Tommy Luginbill			

The top priorities identified include:

1. Continue the path from the FY25 Strategic Priorities – and look at refining focus
 - a. Learn more about obstacles for small-scale manufacturing businesses
 - b. Bio/Life science – look at support technologies/manufacturing – and support services to bio companies
 - c. Track Lease Expirations
 - d. Create a supportive environment – what do the companies need
 - e. Focus on attracting suppliers who support bio that do not have a Maryland or East cost location
2. Market Rockville’s distinctiveness
 - a. Historic Rockville
 - b. What can’t you get elsewhere?
 - c. Clarify messaging to target audiences – site selectors, developers, property owners, tenants, & investors
 - d. What desirable policies/zoning, etc. will enhance Rockville’s competitiveness
 - e. Knowledge management – know and understand the market
 - f. Promote strengths
 - g. Do research on challenges and gaps
 - h. Create some marketing pieces for town center/available sites for housing and key industries
3. Understand the private investment needs in the shifting environment and try to see how REDI can help cultivate this
 - a. Determine Rockville’s role
 - b. Who is here locally – and in Rockville?
 - c. Explore more than VC investment; look at various financial resources to support companies
 - d. Investments in research
 - e. Look at supporting private investments and raising awareness of opportunities here – create a toolbox of resources for investments
4. Reposition MWBC and the entrepreneurial ecosystem
 - a. Clarify market position
 - b. Emphasize ecosystem
 - c. Understand the displaced workforce desires to look at this path
 - d. Build the community
 - e. Provide research on opportunities – and market

Partner with the City to:

1. Establish a Rockville Office of Business Advancement (ROBA) based on Maryland GOBA
 - a. Combination of REDI and City staff
 - b. External/Internal Facing
 - c. Good to market/brand Rockville as business friendly

- d. Do a gap analysis – where are roadblocks
- e. Develop a concierge service
- f. Track performance
- g. Identify solutions
- h. Create timing and other incentives

2. Annex more land to Rockville

3. Work to get key sites – site ready

- a. Create teams
- b. Put together incentives
- c. Develop marketing materials
- d. Develop the value proposition – why is our product differentiated
- e. Goal – to get large employers to have a satellite office to take advantage of our talented workforce
- f. Make sure we have the energy industry needs – look at micro data centers and micro energy/grid
- g. Identify turnkey sites that are available now – and promote them to site selectors, property owners and housing developers

4. See if the City can leverage TIF's or bond ratings

- a. What projects do we want to incentivize?
- b. What can be done legally?

The meeting adjourned at noon.

NOTES FROM REPORTING OUT BREAKOUT SESSIONS:

SESSION ONE

Group 1 - (Report out by Kate Fulton)

We should create a ROBA (Rockville Office of Business Advancement) like GOBA. We should do a gap analysis to identify roadblocks and any areas for policy changes.

We should also identify where the federal government is pulling out and where we could move in – or industry could. There is concern about food safety with cuts at FDA. The Federal Agencies have cut a lot of admin support positions – and will likely be looking to contract this work out rather than rehire.

Area executives are looking at investments – investments in life/bio science will be going private. The industries we are looking at are capital intensive businesses. Can Rockville provide cheaper funding for projects?

We should double down on bio/life science.

It's all about capital – we need to plant seeds with partners and get poised for when things stabilize again. Private capital is important – and we are focusing on capital intensive industries.

Organizations like one for vision saving cures are losing funding and positioning themselves to go private and to fund R & D. They are creating boards, looking to venture capital, and doing the work themselves.

We should be looking at expiring leases to reach out to companies that might be poached by another community.

Group 2 - (Report out by Richelle Wilson and Kelly Groff)

We should stay on track with the FY25 Plan with slight modifications.

We should create a localized site readiness team between the City and REDI so there can be seamless space conversions.

We should annex more land, especially in the E. Gude area.

We should convene a discussion to create a center for entrepreneurship – and map the ecosystem. We should work with the State's new approach to focus on entrepreneurship and innovation – and create a new center. The Entrepreneurship ecosystem is important to small scale manufacturing.

Rockville is between the Center for Cybersecurity and the Institute of Health Computing – these are assets to highlight.

Group 3 – (Report out by Justin Yang)

We should maintain a long-term view on what we have done well - and stay focused on bio, even though it is in a downturn. But we could add a micro focus on advanced bio, small scale manufacturing, and small scale/micro data centers. We should also look at micro power/energy technologies.

We should look at getting sites ready. We should support industries for bio manufacturing – which have different site needs.

Can Rockville exempt certain industries from taxes? Can we leverage Rockville's bond rating and make investments using those bond rates?

Increase communications with site selectors.

Maintain and invest in commercial districts and amenities.

Group 4 – (Report out by CJ Overly)

We should get Rockville to be Ready. In FY26, we should listen, retool, prepare and get ready.

We need to remove uncertainty wherever we can – create certainty in Rockville.

Look at the personal side of a pivot – use Bio Boost to connect non-entrepreneurs with others who are.

Articulate what you can get by being in the City rather than over the line. Perhaps a concierge service to help navigate the City and County. How can we get site selectors to ask whether an address is in the City boundaries? We could leverage the new "R" for Rockville's brand – how can we build cache about our address?

Housing is an industry sector that creates jobs, supports retail and brings employers. REDI could pull together information materials for housing and mixed-use projects to highlight resources and recent zoning/legislation changes.

Tariffs will impact businesses and interest rates. How can we find cheaper debt?

Rockville should annex more land.

SESSION TWO

Group 1 – (Report out by CJ Overly)

1. Establish ROBA
 - a. Ensure staff alignment
 - b. External and internal facing
 - c. Quasi REDI/City
2. Promote Financing
 - a. Encourage private investment
 - b. Use the City's balance sheet/bond rating
 - c. Look at TIF's
3. Reposition/Retool MWBC
 - a. Clarify our market position
 - b. Emphasize the entrepreneurial ecosystem
4. Market Rockville's distinctiveness
 - a. Historic Rockville
 - b. What can't you get elsewhere?
 - c. Clarify target audiences
 - d. What desirable policies/zoning, etc.

Group 2 – (Report out by Susan Prince)

Areas where the City should lead and REDI should support

- Annexation (Expand industrial space and land)
- ROBA – concierge service for city services
- Housing development

Priorities

1. Continue the current path as FY25 but refine the focus.
 - a. Learn more about obstacles for small-scale manufacturing businesses
 - b. Bio/Life science – look at support technologies/manufacturing – and support services to bio companies
2. Set an objective for site readiness
 - a. Create teams
 - b. Put together incentives
 - c. Develop marketing materials
 - d. Develop the value proposition – why is our product differentiated
 - e. Goal – to get large employers to have a satellite office to take advantage of our talented workforce
 - f. Make sure we have the energy industry needs – look at micro data centers and micro energy/grid
3. Grow and incentivize private investment (our industry sectors are capital intensive)
 - a. Determine Rockville's Role
 - b. How do we do it?
 - c. Research TIFs, etc.
4. Develop and market the entrepreneurship ecosystem
 - a. Leverage MWBC
 - b. Understand the displaced workforce desires to look at this path

Group 3 – (Report out by Dan Mallon)

1. Market to and engage site selectors
 - a. Knowledge management – know and understand the market
 - b. Promote strengths
 - c. Do research on challenges and gaps
2. Grow and incentivize private investment
 - a. Who is here locally – and in Rockville?
 - b. This is more than VC investment
 - c. Investments in research
3. Highlight the entrepreneurship ecosystem
 - a. Build the community
 - b. Provide research on opportunities – and market
4. Provide incentives for projects - private vs. public funding
 - a. What would we promote? TiF's, bonds what could we provide to incentivize projects?

Group 4 – (Report out by Ricky Barker)

1. Double down on Bio
 - a. Track Lease Expirations
 - b. Create a supportive environment – what do the companies need
 - c. Focus on suppliers who support bio
2. Create a ROBA
 - a. Do a gap analysis – where are roadblocks
 - b. Develop a concierge service

- c. Track performance
 - d. Identify solutions
- 3. Identify turnkey sites that are available now – and promote them to site selectors, property owners and housing developers
- 4. Define and promote Why Rockville
 - a. Create some marketing pieces for town center/available sites
 - b. Look at supporting private investments and raising awareness of opportunities here – create a toolbox of resources for investments
 - c. Have the City consider creating TIFS or leveraging bond capacity for certain projects
 - d. Create timing incentives