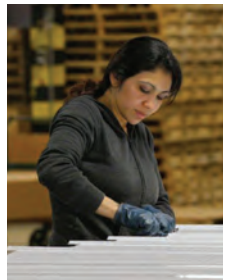
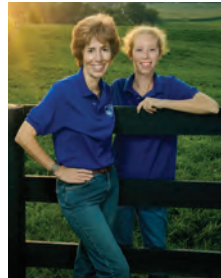


# 2013

## ANNUAL REPORT

start  
a business  
grow  
a business  
RELOCATE  
A BUSINESS



CREATING AN ECOSYSTEM FOR BUSINESS INNOVATION AND ECONOMIC SUCCESS



**KEN ULMAN**  
Howard County Executive

Last year was another outstanding year for businesses in Howard County. We maintained the lowest unemployment rate in the state and again joined the exclusive ranks as one of the few counties to receive an AAA bond rating. We continued our legacy as an educational leader in the nation, with a nationally ranked public school system, and a library system named top in the nation.

The business community in Howard County remains strong and thriving. The HCEDA has created an “ecosystem” for innovation and economic success like no other.

This is Howard County’s strength, this is Maryland’s strength, and this is the future of economic development and prosperity for our state.

## OUR VISION

Howard County, Maryland will be widely recognized as the best place in the United States to live, work, and operate a business.

## WHO WE ARE

The Howard County Economic Development Authority (HCEDA) is a public-private partnership whose goal is to encourage economic growth in the county by aggressively supporting and advocating for businesses of all sizes. The organization is comprised of five key areas: business development, agriculture development, the Maryland Center for Entrepreneurship, the Howard Tech Council, and marketing.

## OUR MISSION

Our Mission is to promote economic growth and stability in Howard County by supporting existing companies, fostering new business, and attracting corporate or regional headquarters. We serve as the liaison between public and private businesses and the local government who serves them. We recommend policies to county government that support the business community and the achievement of planned economic development goals. In short our goal is to help businesses start, grow, and relocate in Howard County.



**CATHY WARD**  
HCEDA Chair 2011-2013

What a year it was, the enthusiasm of the Board, the depth of knowledge of the staff, and the amount that was accomplished was unprecedented.

As a board we were very excited to back Larry as the new CEO of the organization, knowing that his vision for economic development in the county will continue to keep us on the cutting edge. Additionally we put into motion new business initiatives that will keep this county a leading place to do business.

I look forward to remaining active with the Howard County Economic Development Authority Board, under the new leadership of Bill Erskine, as we continue with the development of these new initiatives. The past two years have been a great experience and I thank everyone for the opportunity to serve the community.



**LARRY TWELE**  
HCEDA CEO

Earlier this year, I was honored to be asked to serve as CEO of the HCEDA. And while we build on our past successes, we are committed to the vision to make Howard County the best place in the United States to live, work, and operate a business. To achieve this, we will broaden our programs, strengthen our service, and focus on being more proactive to make a positive impact in the community. Thanks to the support of Howard County Executive Ken Ulman and our board, the HCEDA is poised to build on our strong business environment.

Small to mid-size businesses are the foundation of our economy but we will keep our sights set on the dynamic growth and energy that large corporations bring to the business community. Our outreach efforts to these markets are ongoing and expanding as we strive to attract and help create new jobs in the county.

As we look forward to an exciting year, we will continue our dedication to developing a strong and thriving business community in Howard County.

# successes

2013 WAS THE YEAR FOR BOLD EVENTS AND INNOVATIVE PROGRAMMING THAT REINVIGORATED THE BUSINESS COMMUNITY. OUR TECH COUNCIL GREW EXPONENTIALLY, OUR AGRICULTURAL COMMUNITY BEGAN TO DIVERSIFY, WE ATTRACTED AND RETAINED MANY FLOURISHING BUSINESSES, AND MCE SCALED NEW HEIGHTS WITH ITS EFFORTS TO HELP STARTUPS PROSPER.



## OUTREACH

To reach our goals of promoting economic growth and stability in Howard County, we are taking our message through our corporate parks, out to the state, and around the world. In our continuing effort to assist businesses, we launched a new website that is dramatically more user-focused and meets contemporary user expectations.

The County Executive's Annual Business Appreciation week was so successful that neighboring counties are asking for our plans so they can duplicate our efforts. We touched over 109 businesses and worked with 15 different agencies and partner organizations.



## BUSINESS DEVELOPMENT

Our incredible Business Development team leveraged Howard County assets to help businesses start, grow and relocate. At the International Conference of Shopping Centers we aggressively pushed Howard County's retail agenda. At the RSA Cyber Security Conference, we joined state agencies to help raise Maryland's profile as America's center of gravity for cyber security.

## INNOVATION

The Maryland Center for Entrepreneurship is leading the charge for innovation and business creation in Howard County. We have become a catalyst for change, for growth, and for economic development – and are bursting at the seams. The Howard Tech Council has become a springboard for ideas and is growing by leaps and bounds.

## AGRICULTURE

We awarded two Agriculture Innovation Grants to help diversify and learn lessons from the business world so they can compete locally and stay productive and profitable.

“ HCEDA's cutting-edge and enlightened integration of ALL a business owner needs to be successful has given our new business roots, focus, inspiration and imagination. We have achieved milestones in just months that we never dreamed were possible. ”

– Jeani Burns, [www.eSPSmart.com](http://www.eSPSmart.com)



# B U S I N E S S development

THE WORK OF ANY ECONOMIC DEVELOPMENT AGENCY IS TO GROW AND SUSTAIN BUSINESS. HCEDA TAKES IT A STEP FURTHER WITH OUR CREATIVE APPROACH TO HIGHLIGHTING OUR ASSETS AND CREATING MOMENTUM. WE ALSO TAKE PRIDE IN OUR CLOSE RELATIONSHIPS WITH PARTNERS LIKE THE MARYLAND DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT, THE ECONOMIC ALLIANCE OF GREATER BALTIMORE AND THE BASE BUSINESS INITIATIVE. THESE PARTNERSHIPS HELP TAKE HOWARD COUNTY BUSINESSES LIKE THESE TO THE NEXT LEVEL.



“ Howard County is the ideal location for our new national headquarters. Close by are federal laboratories and other premier institutions, and the quality of life Howard County affords our employees was of the utmost importance in our decision. ”

– Fred Tarantino, USRA President

## CLEAREDGE

ClearEdge IT Solutions, LLC is a small, woman-owned company providing big information technology solutions and services to the intelligence community. They relocated to new corporate headquarters at 10620 Guilford Road in Jessup in March 2013.

## USRA

Universities Space Research Association (USRA), a non-profit organization, began a search for a permanent home and looked at sites across the country. Following meetings with the HCEDA and state officials, the organization made the decision to acquire a 90,000 sq. ft. building which it will use for its national headquarters.

## WHOLE FOODS

In June 2013, after many months of negotiations, Whole Foods announced it is coming to Columbia, to be located in the former Rouse Company headquarters. The new store is specifically designed for the Columbia shopper. The project should take about a year and cost upwards of \$20 million.

## FLIR

As a result of Flir's successful partnership with the state of Maryland and Howard County they have grown significantly over the past few years. The company is moving from a 35,000 sq. ft. facility into a new 80,000 sq. ft. facility – one that will accommodate existing development and production programs and prepare for future growth.



## ACCUVANT



In January 2013, Accuvant expanded its operations and relocated its Maryland office to Howard County. Seventy employees relocated and the company is expecting to add 180 additional new jobs in Howard County over the next two years.



“ We recognized the exciting things that Accuvant is doing and knew that we wanted them to be a part of our business community. ”

– Larry Twele, CEO of the HCEDA

## COMPANIES ON THE MOVE

COMPANY (DESCRIPTION)	NEW OR EXPANDING	NEW JOBS	RETAINED JOBS	SQUARE FEET
Accuvant Federal Solutions (cyber security)	new	180	0	15,000
Autobahn Indoor Speedway (indoor go-kart racetrack)	new	18	0	4,242
ClearEdge IT Solutions (IT services for DoD)	expanding	25	75	36,200
CPS Gumpert (commercial printing)	new	110	0	50,000
FLIR Systems (surveillance equipment mfg.)	expanding	20	30	80,000
greeNEWit (environmental consulting)	expanding	12	23	5,000
GP Strategies (management consulting services)	expanding	0	231	63,985
Lee & Associates (real estate agents & brokers)	new	10	0	4,242
Pepsico (snack food distribution)	expanding	120	131	177,000
Rohde & Schwarz (mfg. for communication & broadcasting industry)	expanding	20	108	55,000
Social Growth Technologies (virtual currency monetization)	expanding	50	26	15,000
Universities Space Research Association (professional organization)	expanding	100	40	80,000
W.R. Grace (specialty chemical & material mfg.)	expanding	125	500	88,000
xG Health Solutions (health care support)	new	100	0	10,000
7Delta (computer systems design services)	expanding	113	80	4,000

## DEVELOPMENT HIGHLIGHTS

### FOREST GREEN

Forest Green is a \$12 million, 83,000 sq. ft. retail and apartment development on Route 40 in Ellicott City. Developed by Don Reuwer, it will include approximately 40 apartments and 50,000 sq. ft. of retail space.

### THE METROPOLITAN DOWNTOWN COLUMBIA

This modern 380-unit luxury apartment complex located on Broken Land Parkway near The Mall In Columbia will include 14,000 sq. ft. of ground floor retail. Partners in the project are The Howard Hughes Corporation, Kettler, and Orchard Development Corporation.

### MAPLE LAWN

A new 141,000 sq. ft., four-story office building, managed and developed by St. John Properties and Greenebaum Enterprises, is under construction at 8135 Maple Lawn Boulevard. Building VI includes state-of-the-art mechanical and energy management systems with high-speed traction elevators and is designed for LEED certification.

### EASTRIDGE AT COLUMBIA GATEWAY

Abrams Development has two 56,700 sq. ft. class A office buildings. One building is completely leased to a company growing and relocating within Columbia Gateway.

### W. R. GRACE

This long-time resident of the county is constructing an 80,000 sq. ft. building and training facility on their campus. This headquarters expansion will create approximately 150 new jobs.



Maple Lawn

# MARYLAND CENTER FOR entrepreneurship

MCE BRINGS TOGETHER THE RIGHT PEOPLE AND RESOURCES FOR BUSINESS GROWTH THROUGHOUT THE REGION AND THE STATE.

IN FY '13 THE INCUBATOR  
AT THE MCE SERVED:

**26** RESIDENT  
COMPANIES  
**50** AFFILIATE  
COMPANIES

MCE WAS HOST TO ALMOST

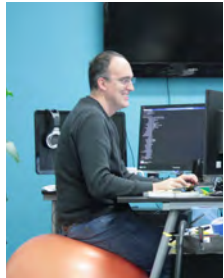
**4,000** VISITORS

IN FY '13. GROWING FROM AN

AVERAGE OF **202** VISITORS  
PER MONTH

IN QUARTER ONE TO

**512** VISITORS PER MONTH  
IN QUARTER 4



The Maryland Center for Entrepreneurship (MCE) is one of the state's premier entities for startup companies, bringing together a vibrant community of resources to provide business counseling, access to flexible office space, dedicated business mentors, connections with investors, and educational programs.

- **BUILDING THE COMMUNITY** – The MCE brings entrepreneurs together to share ideas, opportunities, and experiences through the MCE Speaker Series, efforts of the HTC and in collaboration with other state-wide and regional entrepreneurial organizations.
- **CONNECTING THE ECOSYSTEM** – MCE's programs focus on connecting investors, supporters, and service providers together with entrepreneurs to build relationships long before a transaction between them occurs.
- **IGNITING INNOVATION** – Through partnerships with organizations such as Startup Maryland, Johns Hopkins University Applied Physics Lab, the regional Small Business Technology Development Center, SCORE, and other incubators in the state, the MCE acts as a catalyst for turning innovation into business opportunities, serving more than 1,000 constituents and small businesses.

## MCE STRATEGY

MCE is focused on what start-ups and emerging businesses need the most.



This was a year of innovation for all aspects of the MCE. New programs and new ideas could be seen in big ways, like the tripling of the iCat client base and in small ways, such as the change in format of the HTC Annual Meeting. These changes are creating the foundation for even bigger things to come in FY14.

## THE INNOVATION CATALYST (iCat)

The iCat provides services for resident companies who require dedicated office space and affiliate businesses who receive the same services and opportunities without the dedicated space. Several promising new companies joined as clients in FY13, including Advance Park, MilestonePod, Lightpoint Security, and Mosaic Power.

## SUCCESS STORY: enCAPSA

EnCapsa is a cutting-edge company that became an iCat affiliate in March 2013 and the MCE team has been working closely with them to launch their products. With several patents on the underlying technology, enCapsa has created a revolutionary concept for searching big data and protecting information. They currently have offices in Washington, D.C., Florida, and Poland.



enCapsa

## SUCCESS STORY: PROJECT OPPORTUNITY

A new program in Howard County aimed at helping veterans interested in starting a business graduated its first class in June 2013. Project Opportunity is a 10-week program that offers training, outreach services, technical assistance, and financing opportunities to veterans interested in starting a business.

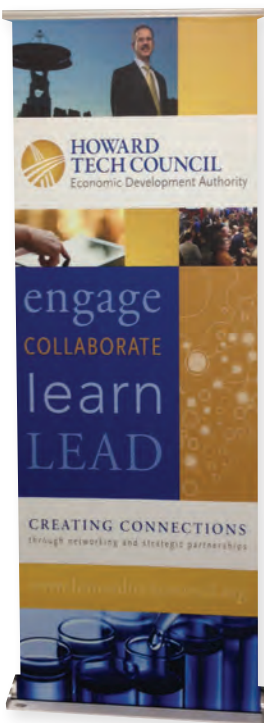
“Each graduate of this training program completed a business plan and is now prepared to take the next step in his or her dream of owning and operating a small business,” explained founder, Joe Giordano. “We are confident that we have provided these veterans with what they need to put them on the right path. I hope they know that with me and our partners at the Maryland Center for Entrepreneurship, they will have friends and supporters for life.”



Project Opportunity's first graduating class

# howard tech council

THE HOWARD TECH COUNCIL (HTC) DELIVERS A SUSTAINABLE PLATFORM FOR MEMBERS TO ENGAGE, COLLABORATE, LEARN, AND LEAD.



This was a year of revitalization for HTC, which truly connects, recognizes and informs the Howard County and regional technology business community. We have planned three phases:

- **PHASE I (complete)** – Reinvigorate the Howard Tech Community. Via extensive outreach, the membership base grew from eight to 165 member firms from July 2012 to June 2013.
- **PHASE II (in progress)** – Create a relevant, sustainable and impactful platform for HTC members to engage, collaborate, learn, and lead. With the addition of the HTC Healthcare Technology Affinity Group, the HTC now has a total of nine active roundtables, affinity groups and committees.
- **PHASE III (in progress)** – Attract larger firms to the HTC. The value proposition for large firms is based on three factors: access to innovation, access to talent, and goodwill. AT&T Cloud Services, CSC Civil and Health Service Group, and the Allegis Group are now HTC members.

HOWARD TECH COUNCIL  
REINVIGORATED ITS  
MEMBERSHIP FROM

**8** MEMBERS IN  
JULY 2012 TO  
**165** MEMBERS BY  
JULY 2013

(2013 FISCAL YEAR END) AND  
**ENGAGES MEMBERS**  
IN **NINE** ACTIVE  
ROUNDTABLES AND AFFINITY  
GROUPS.

“ HTC’s commitment to its members and community has been a huge driver in our success. ”

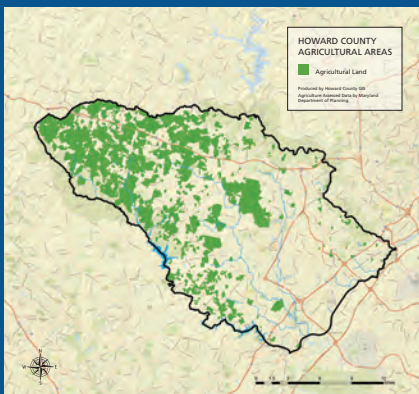
– Zuly Gonzalez, Light Point Security, LLC



# agriculture

## A N D I N N O V A T I O N

PRESERVE, EDUCATE, MARKET, ADVOCATE. HCEDA AGRICULTURE AND INNOVATION WORKS TO GROW THE FARM ECONOMY AND CULTIVATE CONNECTIONS IN HOWARD COUNTY.



“ Our family has been enjoying all the benefits that Howard County has to offer for the past 34 years. We recognized the need for fresh, locally grown and produced products and as a result our ‘Community Supported Agriculture’ program was born. We support the community and the community supports us. ”

– RJ, Breezy Willow Farm

HCEDA strives to serve the agricultural community in many ways. From providing education and marketing resources to advocacy on behalf of the industry or an individual farmer, we are dedicated to maintaining, growing, and supporting the Howard County agriculture community. The new farm search function on our website is getting rave reviews and new resources are now available to farmers direct from their laptop.

### SUCCESS STORY: BOWLING GREEN FARM

One of only four remaining dairy farms in Howard County, Bowling Green Farm, has belonged to members of the Jones family since the early 1700s. Dairy farming has become economically challenging in recent years. So HCEDA helped them to turn a portion of their Holstein dairy cattle’s milk into cheese. They were successful and so it became necessary to expand this new enterprise. Bowling Green Farm was the first recipient of the Howard County Agriculture Innovation Grant, which has enabled them to move forward with their expansion.



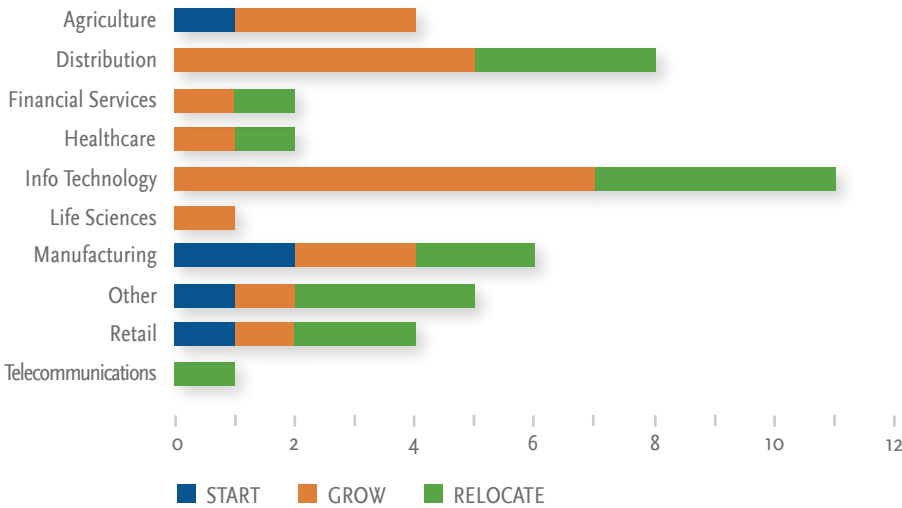
### SUCCESS STORY: VALLEY HAVEN FARM

Valley Haven Farm has been located in Ellicott City for several generations. When the most recent generation of Zollers decided it was time to diversify their farm, a CSA (Community Supported Agriculture) was a great choice for their operation. With another Howard County Agriculture Innovation Grant, the Zollers were able to make their current farming operation into a sustainable small fruit and vegetable operation for their 60-member CSA.



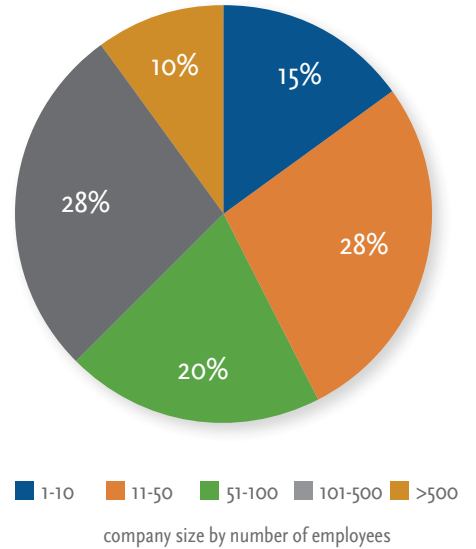
# BUSINESS DEVELOPMENT ACTIVITY

## HCEDA PROSPECTS BY INDUSTRY\*

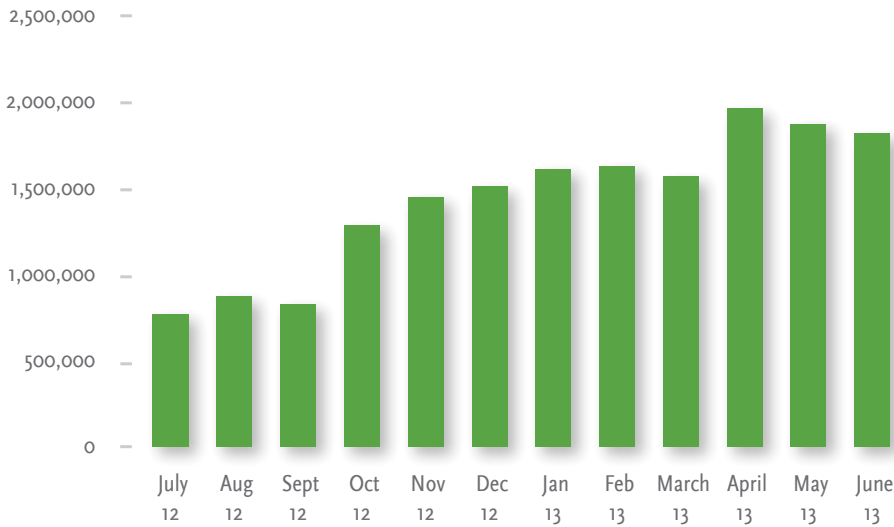


\*Does not include MCE activity

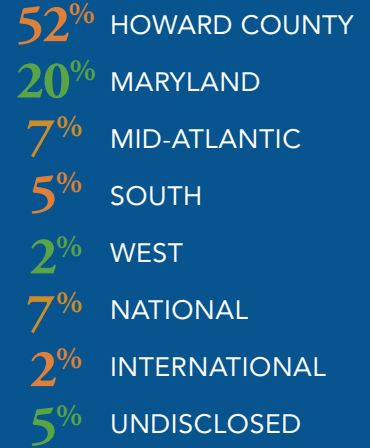
## HCEDA PROSPECT COMPANY SIZE BY NUMBER OF EMPLOYEES



## ACTIVE SQUARE FEET PIPELINE



## INQUIRIES BY LOCATION OF COMPANY



## THANK YOU TO OUR INVESTORS, SPONSORS, AND PARTNERS



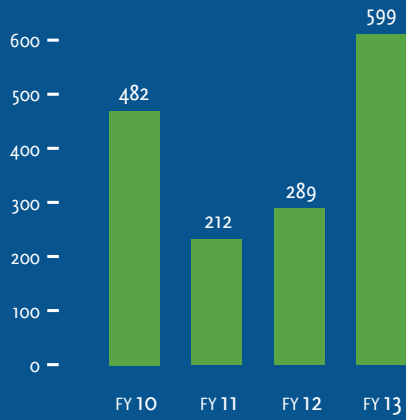
McKenzie Commercial Real Estate Services | Watkins Meegan | Vision Financial Group | WebMechanix  
 Columbia Bank | Howard Bank | PNC Bank | Manekin | Davis, Agnor, Rapaport & Skalny | M&T Bank  
 General Growth Management | Sandy Spring Bank | Unleashed Technologies

# FINANCIAL STATEMENTS AS OF JUNE 30, 2013

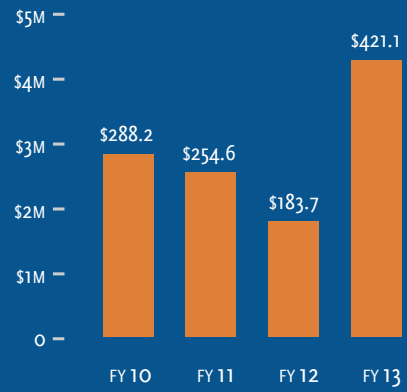
BALANCE SHEET		FY 2012	FY 2013
<b>ASSETS</b>			
<b>CASH &amp; CASH EQUIVALENTS</b>			
Cash		\$ 262,367	\$ 349,821
Certificates of Deposit		\$ 474,639	\$ 475,325
<i>Total Cash &amp; Cash Equivalents</i>		\$ 737,006	\$ 825,146
Furniture and Equipment, net of accumulated Depreciation		\$ 46,363	\$ 31,321
Grants Receivable		\$ 103,538	\$ 193,142
Tenant Receivables			\$ 1,823
Prepaid Expenses		\$ 28,611	\$ 61,616
<i>Total Assets</i>		\$ 915,518	\$ 1,113,048
<b>LIABILITIES AND FUND BALANCE</b>			
<b>CURRENT LIABILITIES</b>			
Trade Payables		\$ 146,875	\$ 82,161
Accrued Salaries & Payroll Taxes		\$ 61,612	\$ 94,361
Compensated Absences due in more than one year		\$ 27,991	\$ 34,879
Accrued Expenses		\$ 10,815	\$ 35,494
Security Deposits		\$ 19,815	\$ 23,336
<i>Total Current Liabilities</i>		\$ 267,108	\$ 270,231
<b>NET ASSETS</b>			
<i>Total Net Assets</i>		\$ 648,410	\$ 842,817
<b>STATEMENT OF REVENUES, EXPENSES &amp; CHANGES IN ASSET BALANCE</b>			
<b>REVENUES</b>			
Howard County Government		\$ 1,780,663	\$ 2,273,573
BRAC Grants		\$ 362,004	\$ 332,709
Private Sector Investments		\$ 110,000	\$ 32,054
Memberships		\$ 1,985	\$ 24,447
Contributed Office Space		\$ 350,000	\$ 350,000
Incubator Rental Income		\$ 262,121	\$ 247,715
Special Events		\$ 75,973	\$ 125,270
Other Grants		\$ 9,715	\$ 16,000
Miscellaneous Income		\$ 782	\$ 380
Interest Income and Investment		\$ 3,373	\$ 2,127
Special Programs		\$ 0	\$ 0
<i>Total Revenues</i>		\$ 2,956,656	\$ 3,209,868
<b>EXPENSES</b>			
Salaries, Wages and Benefits		\$ 1,418,382	\$ 1,674,159
BRAC Salaries		\$ 410,351	\$ 383,374
Rent Expense		\$ 350,000	\$ 350,000
Contractual and Professional Services		\$ 224,578	\$ 361,302
Program Expenses		\$ 59,711	\$ 65,564
Special Events		\$ 96,725	\$ 161,423
Supplies & Materials		\$ 79,327	\$ 45,238
Business Education		\$ 167,198	\$ 153,446
Equipment Expenses		\$ 2,595	\$ 320
Depreciation		\$ 25,051	\$ 15,042
<i>Total Expenditures/Expenses</i>		\$ 2,833,918	\$ 3,209,868
<b>NET ASSETS</b>			
<i>Change in Net Assets</i>		\$ 122,738	\$ 194,407
<i>Fund Balance/Net Assets – Beginning of Year</i>		\$ 525,672	\$ 648,410
<i>Fund Balance/Net Assets – End of Year</i>		\$ 648,410	\$ 842,817

# ECONOMIC INDICATORS

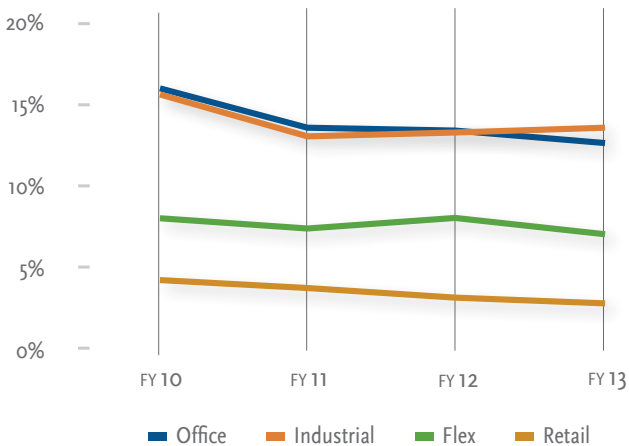
### COMMERCIAL BUILDING PERMITS ISSUED



### ESTIMATED VALUE OF PERMITS ISSUED



### COMMERCIAL REAL ESTATE VACANCY RATES

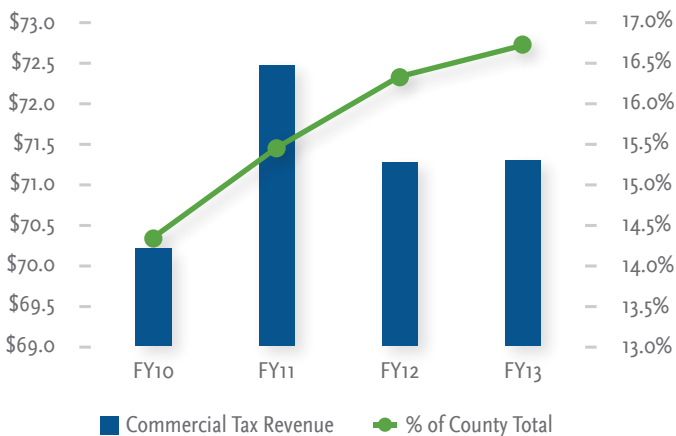


### COMMERCIAL INVENTORY, OCCUPIED, & NET ABSORPTION

BUILDING TYPE	INVENTORY	OCCUPIED	NET ABSORPTION
Office	17,397,689	15,183,050	383,982
Flex	11,448,921	10,639,999	87,174
Industrial	30,882,430	26,710,876	-52,069
Retail	11,403,061	11,096,724	53,587
Total	71,132,101	63,630,649	472,674

Source: CoStar

### COMMERCIAL TAX REVENUE (\$1,000,000s)



### EMPLOYMENT IN HOWARD COUNTY

**166,484** PEOPLE WERE EMPLOYED IN FY 2013 GROWING **4%** FROM FY 2012 AND **30%** FROM FY 2010

THE **UNEMPLOYMENT RATE** IN HOWARD COUNTY WAS **5%** — THE **LOWEST** IN THE STATE OF MARYLAND



## HCEDA STAFF\*

LAWRENCE F. TWELE  
Chief Executive Officer

CARLTON G. EPPS, SR.  
Chief Operating Officer

JULIE LENZER KIRK  
Executive Director, Maryland Center for Entrepreneurship

VERNON J. THOMPSON  
Executive Vice-President, Business Development

JERYL B. BAKER  
Director of Marketing

STEPHEN M. RICE  
Vice President, Business Development

KATHY L. J. ZIMMERMAN  
Agricultural Development Manager

TIMOTHY E. HARWOOD  
Business Development Manager

PATRICK J. WYNN  
Director, Howard Tech Council

JILL A. JOUBERT  
Office Manager, Maryland Center for Entrepreneurship

BRIAN C. SHEAVLY  
Marketing Coordinator

CATHERINE C. BEDOLLA  
Events Manager

MARILYN D. KIMMIE  
Executive Assistant

DEBORAH R. LEAKE  
Office Coordinator

KELSEY R. MATTERS  
Administrative Assistant

STEWART B. GOLD  
Director of Entrepreneurship, Maryland Center for Entrepreneurship

\*As of August 2013

## FISCAL YEAR 2013 BOARD

CATHY M. WARD  
Corporate Office Properties Trust  
(Chair)

CHRISTOPHER J. MYERS  
Far Corner, Inc.  
(Vice-Chair)

WILLIAM E. ERSKINE  
Offit Kurman Attorneys At Law  
(Secretary / Treasurer)

JAY H. BLACKMAN  
Howard County General Hospital,  
A member of Johns Hopkins Medicine

BARRY C. CURTIS  
Best Fence, LLC

JERRY A. KRILL  
Johns Hopkins Applied Physics Laboratory

JOSEPH J. MEZZANOTTE  
Whiteford, Taylor & Preston, LLP

JAYKANT D. PAREKH  
KloudData

SANG W. OH  
Talkin & Oh, LLP

RICHARD A. KOHR  
Evergreen Advisors, LLC

ELAINE M. BROWN  
Applied Defense Solutions, Inc.

ANITA M. JACKSON  
Baltimore Gas & Electric

## HOWARD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

### HCEDA HEADQUARTERS

6751 Columbia Gateway Drive, Suite 500 • Columbia, MD 21046

tel 410.313.6500 • fax 410.313.6525 • email [info@hceda.org](mailto:info@hceda.org)

### MARYLAND CENTER FOR ENTREPRENEURSHIP / HOWARD TECH COUNCIL

9250 Bendix Road North • Columbia, MD 21045

tel 410.313.6550 • fax 410.313.7515 • email [MCE@hceda.org](mailto:MCE@hceda.org)

[WWW.HCEDA.ORG](http://WWW.HCEDA.ORG)