

**COUNTY COUNCIL OF CECIL COUNTY, MARYLAND
LEGISLATIVE SESSION DAY 2020-11**

RESOLUTION NO. 34-2020

Title of Resolution: Loan Endorsement – Maryland Economic Development Assistance and Authority Fund – Smithfield Distribution, LLC.

Synopsis: A Resolution endorsing a Maryland Economic Development Assistance and Authority Fund Loan pursuant to which the Smithfield Distribution, LLC (the “Borrower”) has established a new 420,000 plus square foot facility and acquired the 50-acre (+/-) real property upon which the facility is situated in Principio Business Park in North East, Cecil County, Maryland.

Introduced by: Council President on behalf of the County Executive

Introduced and ordered posted on: June 9, 2020

Scheduled for consideration on: June 16, 2020

By: _____
Council Manager

Notice and title of Resolution having been posted by DATE at the County Administration Building, 200 Chesapeake Blvd., Elkton and consideration by the Council having been scheduled on DATE.

By: _____
Council Manager

Explanation: CAPITAL LETTERS INDICATE LANGUAGE ADDED TO EXISTING DOCUMENT
~~Strike through~~ indicates language deleted from existing document
Underlining indicates language added to document by amendment.
~~Double Strike through~~ indicates language stricken from document by amendment

**Loan Endorsement – Maryland Economic Development Assistance and Authority Fund –
Smithfield Distribution, LLC**

1 **WHEREAS**, the Department of Commerce of the State of Maryland (the “Department”) has agreed
2 to conditionally loan to Smithfield Distribution, LLC (the “Borrower”) up to \$720,000 from the Maryland
3 Economic Development Assistance and Authority Fund (“MEDAAF”) (the “MEDAAF Loan”); and

4 **WHEREAS**, the MEDAAF Loan proceeds will be loaned to the Borrower toward the establishment of
5 a new 420,000 plus square foot facility and acquisition of the 50-acre (+/-) real property upon which the
6 facility is situated in Principio Business Park in North East, Cecil County, Maryland (the “Project”); and

7 **WHEREAS**, the Project plans call for anticipated project costs at project site of approximately \$16m
8 for land acquisition, \$68M to construct and improve the site, and \$6.6M for equipment, and the Borrower
9 further expects to hire 240 permanent full-time employees at the Project Site by December 31, 2020, and
10 employ at least 240 full-time employees at the Principio Business Park location (the “Project Site”) for the
11 remaining term of the loan; and

12 **WHEREAS**, pursuant to the Maryland Economic Development Assistance Fund Sections 5-301
13 through 5-349 of the Economic Development Article of the Annotated Code of Maryland (the “MEDAAF
14 Statute”), the County Council of Cecil County, Maryland (the “County”) must endorse the making of the
15 MEDAAF Loan for the Project; and

16 **WHEREAS**, as required by the MEDAAF Statute, the County will contribute a separate \$80,000
17 toward the Project in the form of a conditional loan to the Borrower disbursed over a period not to exceed
18 10 years under certain terms and conditions to be reduced to writing by and between the County and the
19 Borrower (the “County Loan”); and

20 **WHEREAS**, the County has determined and expressly finds that it is in the best interest of the
21 citizens of Cecil County that it endorse the making of the MEDAAF Loan for the Project.

22 **NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CECIL COUNTY, MARYLAND**, that
23 the County hereby fully endorses the making of the MEDAAF Loan for the Project.

24 **AND, BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF CECIL COUNTY, MARYLAND**, that the
25 County hereby approves the County Loan of \$80,000 for the Project, upon terms and conditions to be
26 negotiated by the County Executive.

27 **AND, BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF CECIL COUNTY, MARYLAND**, that this
28 Resolution shall be effective upon its adoption in accordance with applicable law.

**Loan Endorsement – Maryland Economic Development Assistance and Authority Fund –
Smithfield Distribution, LLC**

INTRODUCED: **June 9, 2020**

ADOPTED: _____

President of the Council

ATTEST:

Council Manager