

**COUNTY COUNCIL OF CECIL COUNTY, MARYLAND
LEGISLATIVE SESSION 2022-23
RESOLUTION NO. 61-2022**

Title of Resolution: Approval – Maryland Economic Development Assistance and Authority Fund – Loan for Northrop Grumman Innovation Systems, Inc.

Synopsis: A Resolution endorsing a Maryland Economic Development Assistance and Authority Fund Loan pursuant to which the State will contribute \$800,000 and the County will contribute \$80,000 both in the form of conditional loans, and the Borrower will retain existing operations and expand its manufacturing capabilities at 55 Thiokol Road, Elkton, Maryland, including anticipated project costs of approximately \$110 million dollars for construction costs, furniture, fixtures and equipment at the project site, and the hiring of an additional 200 full-time employees by December 31, 2028 for a total employment of 775 permanent full-time employees at the project site.

Introduced by: Council President on behalf of the County Executive

Introduced and order posted on: December 6, 2022

Consideration scheduled on: December 20, 2022

By: _____
Council Manager

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

By: _____
Council Manager

Explanation: CAPITALS INDICATE MATTER ADDED TO EXISTING ORDINANCE.
~~Strike through~~ indicate matter deleted from existing ordinance.
Underlining indicates language added by amendment.
~~Double Strike through~~ indicates language deleted by amendment.

RESOLUTION NO. 61-2022

Approval – MEDAAF – Loan for Northrop Grumman

1 **WHEREAS**, the Department of Commerce of the State of Maryland (the “Department”) has
2 agreed to conditionally loan to Northrop Grumman Innovation Systems, Inc. (the “Borrower”) up to
3 \$800,000 from the Maryland Economic Development Assistance and Authority Fund (“MEDAAF”) (the
4 “MEDAAF Loan”); and

5 **WHEREAS**, the MEDAAF Loan proceeds will be loaned to the Borrower to retain existing
6 operations and expand its manufacturing capabilities at 55 Thiokol Road, Elkton, Maryland (the
7 “Project”); and

8 **WHEREAS**, the Project plans call for anticipated project costs at project site approximately \$110
9 million dollars for construction cost, furniture, fixtures and equipment at the project site, and the hiring
10 of an additional 200 full-time employees by December 31, 2028, for a total employment of 775
11 permanent full-time employees at the project site; 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 \$80,000 toward the
17 Project in the form of a conditional loan to the Borrower, which will close and be fully funded by
18 December 30, 2023 under certain terms and conditions which are expressed in the agreement dated
19 May 26, 2022 by and between the County, the Borrower, and the Department (the “Agreement”). The
20 Agreement is attached as Appendix 1; and

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

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

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

28 **AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF CECIL COUNTY,**
29 **MARYLAND,** that this Resolution shall take effect on the date of its passage.

RESOLUTION NO. 61-2022

Approval – MEDAAF – Loan for Northrop Grumman

INTRODUCED: December 6, 2022

ADOPTED: _____

President of the Council

ATTEST:

Council Manager