

Department of Commerce

MISSION

Restructure economic development in Maryland to elevate economic development priorities, streamline the State's economic development programs, better influence business location decisions, and rebrand Maryland's primary economic development entity to enhance Maryland's business competitiveness. Create a sustainable plan that will produce a more diverse business-friendly environment.

KEY GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

Goal 1. Promote job creation, attraction, retention, and expansion by developing and executing a comprehensive strategy to develop technology clusters; increasing Maryland companies' access to new clients; and leveraging external resources, expanding partnerships, innovating, and collaborating for job creation and retention.

Obj. 1.1 Develop and maintain a pipeline of projects resulting in successful facility location decisions and other projects creating and retaining jobs in Maryland.

Obj. 1.2 Create, attract or retain jobs resulting from successful facility location decisions and resolving issues for Maryland businesses.

Obj. 1.3 Facilitate job creation, retention and capital expenditure through the Maryland Small Business Development Financing Authority (MSBDFA).

Obj. 1.4 Engage with Maryland entrepreneurs, startups, early stage and small businesses.

Obj. 1.5 Support companies with customized strategic research through the Advance Maryland program.

Obj. 1.6 Prepare early stage biotechnology companies to be successful, leading to job creation.

Performance Measures	2011 Act.	2012 Act.	2013 Act.	2014 Act.	2015 Act.	2016 Est.	2017 Est.
Number of facility location opportunities	316	214	215	224	220	235	250
Number of successful facility location decisions	59	49	70	50	60	66	72
Number of jobs created/retained from facility location decisions, issues resolved and export assistance	10,097	10,576	10,834	10,627	11,764	12,000	12,500
Jobs created through MSBDFA	N/A	N/A	N/A	131	211	215	290
Jobs retained through MSBDFA	N/A	N/A	N/A	223	282	245	280
Number of engagements with start-ups and early stage companies	N/A	N/A	425	626	536	N/A	N/A
Number of companies supported through the Advance Maryland Program	N/A	N/A	N/A	5	11	N/A	N/A
Number of instances biotechnology companies utilizing Office of Biohealth Technology (OBT) resources	427	388	323	363	192	N/A	N/A
Total number of OBT-partnered marketing outreach efforts (events, conferences, etc.)	37	54	20	34	18	N/A	N/A
Number of people employed by life sciences companies based on North American Industry Classification System (NAICS)	34,001	36,593	33,789	34,753	35,071	35,387	35,710

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Goal 2. Promote Maryland as a business-friendly state by: maximizing coverage of the Division’s activities and successes; enhancing responsiveness to business community needs; and streamlining operations to enhance flexibility, better define responsibility, and improve accountability.

Obj. 2.1 Assist Maryland businesses in targeted sectors by resolving issues and facilitating successful location decisions.

Obj. 2.2 Annually expand outreach efforts to military commands, defense communities and defense contractors.

Performance Measures	2011 Act.	2012 Act.	2013 Act.	2014 Act.	2015 Act.	2016 Est.	2017 Est.
Number of issues resolved for Maryland businesses	431	473	799	1,019	995	N/A	N/A
Number of Maryland targeted businesses assisted	N/A	N/A	44	107	42	N/A	N/A
Number of assists to federal military agencies and contractors	231	319	121	142	149	175	200

Goal 3. Influence international businesses in targeted industry sectors to invest in Maryland and promote export efforts of targeted knowledge-based industries in Maryland that have the greatest potential in succeeding in the global marketplace and increase the export volumes of Maryland small and medium enterprises.

Obj. 3.1 Engage no less than 400 foreign corporations per year to consider Maryland as an ideal location for their U.S. operations.

Obj. 3.2 Attract no less than 40 potential Foreign Direct Investment (FDI) business decision makers to explore potential sites in Maryland per year.

Obj. 3.3 Generate no less than 15 investment decisions as FDI “wins.”

Performance Measures	2011 Act.	2012 Act.	2013 Act.	2014 Act.	2015 Act.	2016 Est.	2017 Est.
Number of foreign companies engaged	N/A	N/A	NA	417	435	440	450
Number of foreign company location decisions	13	15	12	13	9	10	15
Number of foreign prospects visiting Maryland buildings and/or sites	36	43	45	48	50	55	60
Value of private sector export sales resulting from Commerce assistance (\$ millions)	65	111	60	73	85	85	90

Goal 4. Identify strategic economic development projects in the Finance programs.

Obj. 4.1 Increase the number of finance opportunities in the finance programs in the fiscal year.

Performance Measures	2011 Act.	2012 Act.	2013 Act.	2014 Act.	2015 Act.	2016 Est.	2017 Est.
Number of financing transactions approved	N/A	N/A	N/A	46	57	50	50
Number of financing transactions settled	40	65	61	41	38	40	40
Dollar amount of total project costs (capital investment) anticipated for projects settled (\$ millions)	\$737	\$323	\$399	\$348	\$509	\$350	\$350

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- Obj. 4.2** Leverage private sector capital of at least 5:1 in the fiscal year for financing programs operated by the Department.
- Obj. 4.3** Create a return on incentive of at least 10:1 on settled transactions with contractually obligated employment reporting in the fiscal year for the Maryland Economic Development Assistance Authority and Fund (MEDAAF) Capability 1, 2, 3 and Sunny Day.
- Obj. 4.4** By fiscal year 2015, the Maryland Biotechnology Investment Tax Credit Reserve Fund (BIITC) will have stimulated private investment in qualified Maryland biotechnology companies (QMBCs) annually that is at least 200 percent of the tax credit amount that is issued each year.

Performance Measures	2011 Act.	2012 Act.	2013 Act.	2014 Act.	2015 Act.	2016 Est.	2017 Est.
Private sector dollars leveraged	N/A	N/A	N/A	15:1	18:1	15:1	15:1
Return On incentive (ROi) over 5 years	N/A	N/A	N/A	9.4:1	19.2:1	10.0:1	10.0:1
Private Investment in QMBCs (\$ millions)	18	19	15	20	24	24	24
Number of investors receiving the BIITC	158	157	134	147	157	175	175
Number of QMBCs receiving investment	17	19	23	25	24	40	40
New jobs created through the BIITC	21	33	26	25	25	45	45
Number of QMBCs receiving investment that have remained viable in Maryland for 5 years or more	4	11	17	20	19	25	25

Goal 5. Influence prospective visitors in targeted markets to plan a trip to Maryland and contribute to the State’s economy by increasing tax revenue and jobs generated by visitor spending.

- Obj. 5.1** Provide outstanding customer service and visitor experience at welcome centers, call centers, and web site.
- Obj. 5.2** Generate an additional \$30 million in State sales tax revenue in tourism tax categories determined in the Tourism Promotion Act by fiscal year 2017.

Performance Measures	2011 Act.	2012 Act.	2013 Act.	2014 Act.	2015 Act.	2016 Est.	2017 Est.
Travel media exposure (dollars)	9,576,094	15,378,375	13,868,844	9,604,256	9,518,650	9,600,000	9,650,000
Number of welcome center visitors	251,032	298,980	333,001	295,484	320,896	340,000	350,000
Literature distribution	1,266,109	892,955	1,085,610	727,417	939,733	950,000	960,000
Tourism-related sales tax revenues (\$ millions)							
Restaurants, lunchrooms, delis w/o beer, wine, liquor (BWL)	97	103	108	112	120	120	121
Hotels, motels selling food with BWL	41	42	43	42	42	44	45
Restaurants and night clubs with BWL	70	74	82	83	87	89	90
General merchandise	7	8	8	8	11	12	12
Automobile, bus and truck rentals	56	58	56	58	60	62	63
Commercial airlines	0.1	0.2	0.1	0.2	0.2	0.3	0.5
Hotels, motels, apartments, cottages	84	89	92	94	100	102	103
Recreation and amusement places	3	3	3	3	4	5	5
Total tourism-related sales tax revenues	360	377	392	401	426	434	440

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Obj. 5.3 Increase leisure and hospitality jobs (U.S. Bureau of Labor Statistics (BLS) estimate) by 2 percent by fiscal year 2017.

Jobs generated							
Arts, entertainment, and recreation	35,817	36,875	40,008	42,408	47,258	47,731	48,208
Accommodation	23,450	23,667	24,175	24,050	22,750	22,978	23,207
Food services and drinking places	172,725	178,183	185,617	190,658	193,933	195,873	197,831
Total jobs generated	231,992	238,725	249,800	257,117	263,942	266,581	269,247

Goal 6. To contribute to the economy of the State of Maryland through the visual, literary and performing arts.

Obj. 6.1 Maximize gross sales by the Maryland non-profit arts industry.

Obj. 6.2 Maximize State and local taxes generated by Maryland's non-profit arts industry.

Obj. 6.3 Provide quality arts-in-education programs for Maryland students.

Performance Measures	2011 Act.	2012 Act.	2013 Act.	2014 Act.	2015 Act.	2016 Est.	2017 Est.
¹ Gross sales by Maryland non-profit arts industry (\$ billions)	1.0	1.0	1.0	1.1	1.4	1.7	1.8
¹ Total number of jobs (FTE) supported by non-profit arts industry	N/A	N/A	12,000	12,155	14,000	14,250	14,500
¹ Number of attendees at arts events supported by Maryland State Arts Council (\$ millions)	7.9	7.9	7.6	8.3	8.3	8.4	8.5
Individual Artists program – number of participants	408	403	593	400	388	400	450
¹ State and local taxes paid by Maryland non-profit arts industry (\$ millions)	38	38	45	49	49	50	51
¹ Arts organizations payroll (\$ millions)	117	93	102	103	103	105	105
Per capita arts investment (\$)	2.33	2.24	2.24	2.60	2.71	2.79	2.87
Number of schools served	N/A	N/A	507	528	473	475	485
Number of children served through performances/residencies (thousands)	214	213	199	194	152	160	165
Number of teaching artists and ensembles on MSAC roster	N/A	N/A	135	124	124	125	128

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Goal 7. Promote Maryland as a great place to do business through targeted and integrated marketing and public relations and promote Maryland business resources and successes.

Obj. 7.1 Promote Maryland’s competitive business advantages through events and advertising, leveraging at least \$1 for every \$1 spent.

Obj. 7.2 Annually increase digital communication audience - email subscribers, social audience and web visitors.

Performance Measures	2011 Act.	2012 Act.	2013 Act.	2014 Act.	2015 Act.	2016 Est.	2017 Est.
Value of media coverage (\$ millions)	1.9	1.9	2.4	1.5	2.5	2.3	2.5
Number of engagements on social networks	N/A	N/A	N/A	2,453	27,504	30,000	40,000
Dollars leveraged for every dollar spent	N/A	N/A	\$1.8	\$1.0	\$1.0	\$1.0	\$1.0
Social networking audience size (Twitter, Facebook, LinkedIn)	N/A	N/A	N/A	16,582	22,302	23,000	24,000
Number of unique email subscribers	24,857	27,866	26,537	24,699	17,053	18,000	19,000

NOTES

¹ Fiscal year 2015 are estimates.