

Resolution No.:	<u>20-646</u>
Introduced:	<u>October 8, 2024</u>
Adopted:	<u>October 29, 2024</u>

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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Lead Sponsor: The Council President at the Request of the County Executive

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**SUBJECT:** Maryland Economic Development Assistance Authority and Fund  
Loan to assist Sport Squad, Inc.'s headquarters retention and expansion in  
Montgomery County (\$200,000).

**Background**

1. The County Executive endorses a conditional loan of \$200,000 to Sport Squad, Inc. ("Sport Squad") from the State of Maryland under the Maryland Economic Development Assistance Authority and Fund ("MEDAAF"), which is codified as Md. Code Ann., Econ. Dev. Section 5-301-5-349.
2. MEDAAF provides conditional grant/loans to businesses engaged in eligible industries locating to or expanding in a "priority funding area" in the State of Maryland. Proceeds from the grant/loan may be used by the borrower to reimburse for the acquisition or construction of buildings or real estate, and acquisition, construction and installation of machinery, equipment, furnishings, fixtures, leasehold improvements, site improvements, or infrastructure improvements.
3. The County executed a conditional grant of \$20,000 from the County's Economic Development Fund ("EDF") to assist Sport Squad's international headquarters retention and expansion in the County (the "County Match") on July 26, 2024. This conditional grant is funded from the current EDF fund balance.
4. Through this grant Montgomery County has met the requirement of financing a part of the costs of the project which is equal to at least 10 percent of the financial assistance to be provided from MEDAAF as required by the Section 5-319(d) of the Economic Development Article, Annotated Code of Maryland.
5. The State will disburse the MEDAAF loan to Sport Squad upon the State entering a MEDAAF Agreement with the company. The County is not a party to this MEDAAF Agreement.

6. Sport Squad provides interactive and immersive gaming and gaming equipment internationally. With its 2018 acquisition of Joola, Sport Squad emerged as a global leader in table tennis having sponsored multiple Olympic Games. In 2022, the company entered the pickleball market and announced the sponsorship of the top pickleball athletes. Joola sponsors the largest pickleball tournaments, events, leagues and organizations, and has an extensive retail system with over 400 partners.
7. Sport Squad plans to relocate its headquarters and operations into a 35,000 square foot facility at 915 Meeting Street in North Bethesda. The project will incur \$6,000,000 in capital expenditure, retain 54 jobs in Montgomery County, and create 41 new jobs in the County over a five-year period.
8. Md. Code Ann., Econ. Dev. Section 5-319(d) requires the governing body of the jurisdiction in which the project is located to endorse, by a formal resolution, the granting of the MEDAAF loan for the project.
9. The County has determined that granting the MEDAAF loan for the project is in the best interest of the citizens of the County.
10. The County Executive requests that the Council adopt this formal resolution approving the MEDAAF loan for the project.

### **Action**

The County Council for Montgomery County, Maryland approves the following resolution:

The County Council hereby endorses the State's grant of a \$200,000 MEDAAF loan to support and defray Sport Squad, Inc. costs in connection with its international headquarters retention and expansion in Montgomery County.

This Resolution is effective upon its adoption in accordance with applicable law.

This is a correct copy of Council action.



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Sara R. Tenenbaum  
Clerk of the Council