LOCAL BUSINESS NEWS

Sequestration: Maryland Leaders Call It a Long Word for Economic Pain
The sequestration talks are taking place just a few miles away and if it occurs, its effects will be felt in Potomac, the rest of the Greater Washington area and the state, local politicians say. Gov. Martin O'Malley, in an appearance in Howard County Wednesday, said that 12,000 jobs in Maryland could be lost due to sequestration. To put that number in perspective, the governor said approximately 30,000 jobs were created in the state last year. “All of the great work that each of you does here is threatened by the uncertainty of the dysfunction in the halls of our House of Representatives,” said O’Malley. If Congress can’t reach a compromise on the approximately $84 billion in automatic cuts before Friday, they will go into effect. The cuts will reduce spending in a number of areas, including education, the environment, health, the military and law enforcement, the White House said. The governor said the public is losing patience with the repeated economic crises being reported from Capitol Hill and the White House. “We need to get out of this vortex. The election is over,” O’Malley said. A White House report said sequestration in Maryland could mean furloughs for 46,000 civilian Department of Defense employees, reducing gross pay by around $353.7 million. It would also include funding cuts to teachers and schools, work-study jobs on college campuses, Head Start programs and environmental funding. Maryland Senator Ben Cardin wrote in a recent blog that “sequestration will result in a meat ax approach to reducing our deficit.”
http://potomac.patch.com/articles/sequestration-maryland-leaders-call-it-a-long-word-for-economic-pain-3d783181

http://baltimore.cbslocal.com/2013/02/27/budget-cuts-could-cost-12000-md-jobs/
http://www.abc2news.com/dpp/homepage_showcase/gov-omalley-to-discuss-sequestration

Ulman honored by Government Technology magazine
Howard County Executive Ken Ulman was honored by Government Technology magazine Thursday as one of its Top 25 Doers, Dreamers and Drivers for 2013. The award highlights government accomplishments that set the standard on how technology can be used to improve government performance and strengthen citizen services. Ulman was chosen for his leadership on the development and construction of the Inter-County Broadband Network (ICBN). "I'm honored to receive this award," Ulman said in a statement. "Howard County prides itself on innovation, and it's flattering to receive this national recognition. We know that the ICBN will be a game-changer for how people in our state will utilize broadband for education, business, health and virtually every other aspect of daily living."
Redevelopment of Wilde Lake Village Center includes CVS
Sitting inside her office at Slayton House, Wilde Lake Village manager Kristin Shulder has a direct line of sight to what used to be the heart of the village center. Like winter, Shulder's view of the center has been bleak — obstructed by the desolate former home of a Giant Food grocery store. However, with developer and center property owner Kimco Realty announcing plans to break ground on a large-scale redevelopment by mid-May, that view is about to brighten. "It's very, very exciting," Shulder said. "To think that there is going to be more than 200 apartment units here adding vibrancy to the village center is just great." In addition to the five-story, approximately 250-unit apartment complex, the overhaul of the center includes the demolition of the Giant Food building, the renovation of the remaining village center buildings, and the construction of a CVS pharmacy, which could replace the Crown gas station by as early as fall 2014.

Ulman talks downtown Columbia on WYPR
Howland County Executive Ken Ulman and Mark Thompson, director of downtown development, joined Sheilah Kast on WYPR's "Maryland Morning" on Monday to discuss the future redevelopment of downtown Columbia. Among the topics discussed were the $100 million apartment complex Metropolitan Downtown Columbia, which developers broke ground on earlier this month, Whole Foods coming to the former Rouse Company headquarters, and the newly proposed plans for the redevelopment of Symphony Woods Park.

The Daily Names its 2013 Top 100 Women
The Daily Record is proud to announce its 2013 Top 100 Women. Since 1996, we’ve recognized more than 1,000 high-achieving Maryland women who are making an impact through their leadership, community service and mentoring. The winners include 19 new inductees into the Circle of Excellence, meaning they have won this award two previous times. All winners are selected by an outside panel of business leaders based on professional accomplishment, community involvement and commitment to mentoring. The Top 100 Women event will be held May 6 at the Meyerhoff in Baltimore. Among the winners are: Carol A. Beatty, The Arc of Howard County; Denise B. Carnaggio, Harford County Office of Economic Development; Karen S. Deeley, MacKenzie Commercial Real Estate Services LLC; Roberta E. Dillow, Howard Community College Board of Trustees; Jennifer Gunner, Economic Alliance of Greater Baltimore; Margaret Ann Nolan, Howard County Office of Law; Hon. Leslie Smith Turner, Howard County Orphans’ Court; Cathy L. Yost, The Business Monthly.
http://thedailyrecord.com/2013/02/28/the-daily-record-names-its-2013-top-100-women/
Maryland Farmers Markets Need More Local Farmers
The popularity of farm-fresh produce has brought about a boom in the number of farmers markets in Maryland, but that success has brought problems of its own. “There just doesn’t seem to be enough farmers out there to satisfy the demand that consumers have for these markets,” said Pat McMillan, assistant secretary for the Maryland Department of Agriculture. About 150 farmers, vendors and market managers met Thursday at the Maryland Farmers Market Conference where the MDA and other agencies discussed food safety regulations, licensing and federal nutrition benefits programs. “One of the purposes of this conference is to bring everybody together to see what we can do collectively and individually to make these more vibrant venues for our farmers to sell and sustain this enterprise that has been growing in leaps and bounds for decades,” McMillan said. At farmers markets, consumers can buy local produce, poultry, dairy and meat directly from farmers or vendors. There are 110 farmers markets in the state, and at least one is available in every county, according to the tourism office. There were no available figures for the rate of growth of the markets in the state. The market season typically begins in May and runs through October or November, and several markets are yearlong. In Columbia, weekly farmers markets open in May at the Howard County General Hospital, the Oakland Mills Village Center and the East Columbia Branch Library.

Proposed Maryland legislation triggers explosion of sales at Howard County gun show
Seeing throngs of people standing in long lines for rock concerts and sporting events is a commonplace occurrence. Not so common is the sight witnessed last Saturday morning in Howard County as hundreds waited in a light rain to enter the Silverado Gun Show. The Silverado Gun Show is a series of two-day events held at various venues across the area. Licensed firearms dealers and vendors of ammunition, antique arms, military and hunting and camping gear rent table space to display their products to large, cash-carrying crowds. Some in line were there specifically to look at the guns, while others were hoping to pick up parts, ammunition and survival essentials. Those waiting in the rain could only watch, as early birds exited the building carrying packed shopping bags and weighty ammunition cans. Business was booming at the gun show, and buyers and vendors agreed that political rhetoric and pending legislation were the driving forces behind the boom. Robert, a retired educator, said he already has all the guns he needs and just came to the show to look around. Reflecting on the long line to get into the exhibition hall, Robert, who like most did not want their last name used, said, “I’ve been coming to shows like this for years, but I’ve never seen anything like this.”

COPT Declares First Quarter 2013 Dividends
The Board of Trustees of Corporate Office Properties Trust of Columbia has declared a quarterly dividend of $0.275 per Common Share of beneficial interest for the first quarter 2013, payable on April 15, 2013 to shareholders of record on March 31, 2013.
The Howard Hughes Corporation Reports Fourth Quarter and Full Year 2012 Results

Fourth quarter 2012 net income was $30.0 million, excluding the $(22.3) million non-cash warrant loss and $(8.6) million non-cash loss relating to a reduction in the tax indemnity receivable, compared to the fourth quarter 2011 net income of $30.6 million, excluding the $0.8 million non-cash warrant gain. Master Planned Community (“MPC”) land sales were $62.3 million for the fourth quarter 2012 compared to $37.4 million for the fourth quarter 2011. Net operating income (“NOI”) for our income-producing Operating Assets was $11.5 million for fourth quarter 2012, compared to $15.2 million in the fourth quarter of 2011. Fourth quarter 2012 results include the impact of Superstorm Sandy on South Street Seaport’s NOI, generating a $(5.6) million negative variance compared to 2011. Substantially all of the lost income caused by the storm will be covered by insurance. Retired 6,083,333 Sponsor warrants for $80.5 million in cash and the issuance of 1,525,272 shares of common stock. As a result of the transactions, shareholders now own 10.1% more of the Company. 2012 net income was $77.0 million, excluding the $(185.0) million non-cash warrant loss and $(20.3) million non-cash loss relating to a reduction in the tax indemnity receivable, compared to the 2011 net income of $60.8 million, excluding the $101.6 million non-cash warrant gain and $(15.2) million of non-recurring charges. … Entered into agreements with Whole Foods Market and The Columbia Association to lease 77.9% of the approximately 88,000 square foot Columbia Regional Building, located in Downtown Columbia, MD. The redevelopment is expected to cost approximately $23.0 million and to generate approximately $1.8 million of annual NOI based on pre-leasing to date. This architecturally important building currently has $1.0 million of annual carrying costs. The restoration and redevelopment of the building will serve as a catalyst for future development in the Columbia Town Center area. Construction is expected to begin in the first quarter of 2013. Acquired 70 Columbia Corporate Center, a 169,590 square foot Class A office building in Columbia, MD, by assuming a $16.0 million non-recourse mortgage bearing interest at 4.25% and by providing a commitment to fund $5.0 million for leasing. Secured a 76,308 square foot tenant which will increase occupancy to 68.7% in 2013 and increase annual NOI to approximately $1.9 million.

Arbitron Inc. Announces Quarterly Cash Dividend

Arbitron Inc. today announced that its Board of Directors has approved the payment of a quarterly cash dividend of $0.10 (ten cents) per common share ($0.40 per share on an annualized basis). The dividend will be paid on or about April 1, 2013 to shareholders of record as of the close of business on March 15, 2013. As of February 14, 2013, there were approximately 26,689,123 shares outstanding.
ART Announces CLG Hydrocracking Catalysts Sales Agreement (Joint venture with Cumbia’s W.R. Grace)

Advanced Refining Technologies LLC (ART) announced that it has signed an agreement with Chevron Lummus Global (CLG) regarding hydrocracking and lubes hydproprocessing catalysts. Under this agreement, ART will have the exclusive right to sell CLG’s hydrocracking and lubes hydproprocessing catalysts to CLG’s licensees and other petroleum refiners for unit refills. The agreement will streamline hydproprocessing catalyst supply and improve technical service for refining customers by establishing ART as the single point of contact for all their hydproprocessing catalyst needs. ART is a joint venture between subsidiaries of W. R. Grace & Co. (NYSE: GRA) and Chevron Corporation (NYSE: CVX). CLG is a joint venture between a subsidiary of Chevron and CB&I’s Lummus Technology group.


STATE BUSINESS NEWS

Increasing Minimum Wage is Minimum Part of Wage and Overtime Bill

On Wednesday, members of the Maryland General Assembly’s House Economic Matters heard hours of testimony surrounding legislation to increase the State’s minimum wage; change overtime pay laws and impose stiffer penalties on employers who violate the law. There are 58 co-sponsors of the bill in the House of Delegates (HB1204), but the primary sponsor is Delegate Braveboy (D-25, Prince George’s County, 2012 MBRG Roll Call Score of 9% and 7% in 2011). On the exact same bill filed in the Senate by Senator Rob Garagiola (D-15, Montgomery County; 2012 MBRG Roll Call Score of 13% and 27% in 2011) there are 24 Senate co-sponsors; all are Democrats in both chambers. The companion Senate Bill (SB683) is scheduled for a hearing next week, March 7th, at 1 p.m. in the Senate Finance Committee.

http://baltimore.citybizlist.com/article/increasing-minimum-wage-minimum-part-wage-and-overtime-bill

In dispute with city, Hale moves businesses to Balto. Co.

Citing a soured relationship with city government, Edwin F. Hale Sr., the Baltimore trucking magnate, developer and former CEO of First Mariner Bancorp, said Wednesday that he has moved his businesses to Baltimore County. "I've been around for 43 years, employing thousands of people,” Hale said. "I love the city, but after 43 years, I'm gone. I didn't want to leave, but they didn't care about us staying. I moved all my businesses out of the city and into the county." Hale's businesses, the Baltimore Blast Corp. and Hale Properties LLC, which employ about 40 people, will have their headquarters in Edgemere, he said. The Blast will continue to play games at Baltimore's 1st Mariner Arena but will no longer practice at the Clarence H. Du Burns Arena in Canton, which Hale used to manage. "I had a wonderful relationship with Gov. [William Donald] Schaefer. Mayor [Kurt] Schmoke's wife is on my bank board. I got along well with Sheila Dixon," Hale said. "I don't know why things are being done the way they are now. They didn't seem to be concerned about me being there or not being there." City officials said the dispute with Hale stemmed from an effort to get more value for taxpayers out of the arena, and taxpayers already are getting a better deal under a new operator.

http://www.baltimoresun.com/business/bs-bz-hale-county-20130227,0,1134760.story
Maryland's poor roads cost drivers $6.2B per year
Poor roadways cost Marylanders $6.2 billion a year in vehicle operating costs, lost time and wasted fuel, according to a report released Thursday by TRIP, a Washington, D.C.,-based travel research group. Further, driving on inadequate roadways costs the average Baltimore-area driver nearly $1,800 annually, the TRIP report stated. Poor road and bridge conditions are costing the state’s businesses through delayed shipments and are hurting the tourism, lumber, agriculture and manufacturing industries, according to the report.

NATIONAL BUSINESS NEWS

Consumer spending up 0.2 percent in January
U.S. consumers increased spending modestly in January but cut back on major purchases that signal confidence in the economy. The decline in spending on goods suggests higher tax rates that kicked in on Jan. 1 may have made consumers more cautious. The Commerce Department said Friday that consumer spending rose 0.2 percent in January compared with December. The gain was driven by an increase in spending on services, partly reflecting higher heating bills. Spending on durable goods, such as cars and appliances, fell 0.8 percent. Spending on non-durable goods, such as clothing, was essentially flat. Income plunged 3.6 percent in January, the biggest drop since January 1993. But it followed a 2.6 percent rise in December, which reflected a rush by companies to pay dividends and bonuses before income taxes increased on top earners.
http://thedailyrecord.com/2013/03/01/consumer-spending-up-0-2-percent-in-january/

Personal income plummets 3.6% in January
Personal income growth plunged 3.6% in January, the biggest one-month drop in 20 years, the Commerce Department said Friday. And consumer spending rose just 0.2% with most of it going toward higher heating bills and filling up the gas tank. The income drop was offset by Americans' savings a hefty 2.6% rise in December. But most of that gain, analysts said, reflected a rush by companies to pay dividends and bonuses before income taxes increased on top earners at the start of 2013. There were spending declines in January for big-ticket items that last three years or more, like cars and appliances, and non-durable goods, like clothing and food. Some economists said the declines could be blamed on a 2% federal payroll tax cut expired Dec. 31. Income taxes on the wealthiest Americans rose starting Jan. 1.
http://www.usatoday.com/story/money/business/2013/03/01/personal-income-consumer-spending-january/1956029/

Debt problems grow worse for college students
Families aren’t saving enough for college, students are falling deeper into debt and nearly 13% of graduates owe more than $50,000, according to new research. The bottom line of the research, gleaned from a pair of new studies, is that college-debt woes continue to worsen despite all the attention focused on the ballooning debt of America’s young people. An analysis by the Federal Reserve Bank of New York shows that the number of students taking out college loans, and the amount they borrowed, both grew 70%, or roughly 7% a year, from 2004 and 2012.
http://www.latimes.com/business/money/la-fi-mo-debt-problems-grow-worse-for-college-students-20130228,0,4642143.story