

Resolution No.: 18-455  
Introduced: April 5, 2016  
Adopted: April 19, 2016

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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Lead Sponsor: Council President at the request of the County Executive

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**SUBJECT:** Supplemental Appropriation #16-393 to the FY16 Operating Budget  
Montgomery County Government  
Department of Finance  
Economic Development Fund, \$120,238

**Background**

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive, who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State, or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.

2. The County Executive has requested the following FY16 Operating Budget appropriation increases for the Department of Finance:

<u>Personnel</u> <u>Services</u>	<u>Operating</u> <u>Expenses</u>	<u>Capital</u> <u>Outlay</u>	<u>Total</u>	<u>Source</u> <u>of Funds</u>
\$0	\$120,238	\$0	\$120,238	General Fund Undesignated Reserve

3. ByteGrid builds and maintains multi-tenant wholesale data centers throughout the U.S., including one location in Silver Spring. With the County's funding, ByteGrid intends to promote and market its Silver Spring data center to attract tenants that will increase the personal property tax base and establish new jobs in the County. ByteGrid and the County project that at full capacity, the Silver Spring data center could generate more than \$1.5 million in new personal property taxes.

4. The County executed an EDF Agreement with ByteGrid on December 8, 2014; the total value of the agreement was up to \$12 million (maximum of \$1 million each year for twelve years). The initial disbursement of \$120,238 is less than the maximum annual disbursement of \$1 million.
5. The County Executive recommends a supplemental appropriation to the FY16 Operating Budget in the amount of \$120,238 for the Economic Development Fund and specifies that the source of funds will be General Fund, Undesignated Reserve.
6. Notice of public hearing was given, and a public hearing was held.

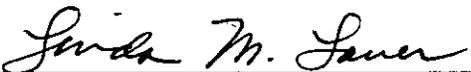
**Action**

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

A supplemental appropriation to the FY16 Operating Budget of the Department of Finance is approved as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$120,238	\$0	\$120,238	General Fund Undesignated Reserve

This is a correct copy of Council action.

  
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 Linda M. Lauer, Clerk of the Council