

# Ike Leggett pitches new direction for Montgomery County economic development

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The end may be near for Montgomery County’s Department of Economic Development.

County Executive [Ike Leggett](#), speaking in North Bethesda as a panelist during the Washington Business Journal’s inaugural On the Road event, announced Tuesday he intends to replace Montgomery County’s economic development agency with a public-private authority, along the lines of Fairfax County’s Economic Development Authority.

The goal of the authority, Leggett said, will be putting economic development responsibilities — branding and marketing the county and dealing with myths and negative perceptions the business community has of it — in the hands of the “people in the field.”

That is, business leaders.

“Rather than be at the table,” the county executive told about 100 Montgomery County private sector leaders gathered at the North Bethesda Marriott, “I’ve decided to literally give you the table.”

Leggett [hinted at this move in late February](#), though, at the time, he was still pondering in which direction to take economic development. The county’s longtime economic development chief, [Steve Silverman](#), resigned in December to launch his own consulting firm.

The authority, if it is approved by the County Council, will face a host of challenges, whether retaining [Marriott International Inc.](#), dealing with the repercussions of the National Institutes of Health master plan, finding new uses for a growing inventory of outdated buildings, competing with an aggressive Commonwealth of Virginia, or exploiting the county's advantage in the life sciences and biotech sectors.

"His approach is bold," [Kevin Beverly](#), president of Silver Spring-based [Social & Scientific Systems](#), said of Leggett's authority pitch. "It is probably the right thing at the right time."

Establishing an economic development authority sends a strong signal that Montgomery County wants the best people selling the jurisdiction and going after future tenants, said [Evan Goldman](#), vice president of development with [Federal Realty Investment Trust](#).

"We need to have an economic development arm that's out there championing why it's a great idea to come to the county," said Goldman, whose firm is developing the 24-acre Pike & Rose in North Bethesda (a "no brainer" location for a future Marriott headquarters, he added).

While the exact details are still to be worked out, Leggett said the authority would include a seven- to nine-person board of business leaders appointed by the county executive and approved by the county council. The board would then hire a CEO and professional staff.

It will be the board's call whether to retain nearly 40 existing Department of Economic Development employees or take the workforce in another direction. Leggett said those workers that do not make the shift would be transferred, not laid off.

He described the authority as a "hybrid." Like the Fairfax EDA, for example, it would feature an independent board and a mission of marketing the county locally, nationally and internationally. Unlike the Fairfax EDA, the Montgomery authority would lack bonding power.

Leggett said he expects to propose the authority in May, with the council taking up the matter over the summer. He hopes to have the transfer complete by late fall.

The county council was in session Tuesday afternoon, and its members were not immediately available for comment.

The council is currently weighing Leggett's proposed \$14.5 million fiscal year 2016 budget for the Department of Economic Development. The spending plan includes \$430,000 for MC Squared, a program aimed at growing county-based startups, and \$300,000 for data analytics. That funding would be shifted to the authority, under Leggett's proposal.