

MEMORANDUM

October 19, 2018

TO: County Council

FROM: Gene Smith, Legislative Analyst *GS*

SUBJECT: **Public Hearing** - Special Appropriation to the FY19 Operating Budget, Montgomery County Government, Economic Development Fund, Small Business Innovation Research and Small Business Technology Transfer Matching Grant Program, \$225,000

PURPOSE: Receive public comment on subject resolution

See the special appropriation to the FY19 Operating Budget in the amount of \$225,000 for the Economic Development Fund on ©1. The source of funds is the General Fund Undesignated Reserve.

Councilmember Leventhal is requesting this special appropriation for the Small Business Innovation Research and Small Business Technology Transfer Matching Grant Program (SBIR/STTR Program). The original FY19 appropriation of \$425,000 was exhausted before all eligible recipients received assistance.

Background

The Council enacted Bill 41-17 in March 2018 to create the SBIR/STTR Program. The program supports early-stage biotechnology businesses by providing a matching grant for businesses that were awarded a SBIR or STTR Phase I or Phase II grant during the current calendar year. The law restricts awardees to businesses that: 1) were awarded an SBIR/STTR grant from the National Institutes of Health (NIH) and 2) conducts at least 51% of its research and development operations at a physical location in the County. The County's SBIR/STTR Program provides a match based on the amount awarded by NIH; Phase I is a 25% match, up to \$25,000 and Phase II is a 25% match, up to \$75,000. Eligible businesses may only receive one grant from the County's SBIR/STTR Program per year.

A Council worksession with action on this item is tentatively scheduled for October 30.

This packet contains:
Proposed resolution

Circle #
1

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: Councilmember Leventhal

SUBJECT: Special Appropriation to the FY19 Operating Budget
Montgomery County Government
Department of Finance
Economic Development Fund, Small Business Innovation Research and Small
Business Technology Transfer Matching Grant Program - \$225,000

Background

1. Section 308 of the County Charter provides that a special appropriation is an appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation must be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation must specify the source of funds to finance it.
2. A FY19 Operating Budget special appropriation is requested for the Economic Development Fund:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$225,000	\$225,000	General Fund Undesignated Reserve

3. These funds are needed to continue to fund the Small Business Innovation Research and Small Business Technology Transfer Matching Grant Program, a program that supports early-stage biotechnology businesses. The original FY19 appropriation was exhausted before all eligible recipients received assistance.
4. A special appropriation to the FY19 Operating Budget is requested in the amount of \$225,000 for the Economic Development Fund and specifies that the source of funds will be General Fund Undesignated Reserve.

5. Notice of public hearing was given, and a public hearing was held.

Action

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

A special appropriation to the FY19 Operating Budget of the Economic Development Fund is approved as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$225,000	\$225,000	General Fund Undesignated Reserve

This is a correct copy of Council action.

Megan Davey Limarzi, Esq.
Clerk of the Council