

Committee: Directly to Council Committee Review: N/A

Staff: Gene Smith, Legislative Analyst

Purpose: To introduce agenda item – no vote expected

Keywords: Economic development

AGENDA ITEM #31 June 9, 2020 Introduction

SUBJECT

Special appropriation to the County Government's FY20 Operating Budget, Maryland Tech Council, Support for COVID-19 Response – Business Continuity Task Force, \$250,000

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

N/A

DESCRIPTION/ISSUE

The subject resolution supports the Maryland Tech Council's creation of a Business Continuity Task Force (BCTF). The BCTF will assist tech and life science entrepreneurs in Maryland that are navigating the economic downturn due to the health crisis. The BCTF includes experienced business leaders who have led businesses through the financial crisis, like the 2008 recession; this team will help small-and mid-sized tech and life science businesses plan for an optimal recovery and execute the recovery plan based on the economic conditions following the health crisis.

SUMMARY OF KEY DISCUSSION POINTS

None

This report contains:

Proposed resolution

© #1 - 3

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Resolution No.:	
Introduced:	
Adopted:	

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead sponsor: Councilmembers Riemer, Katz, Albornoz, Friedson, and Glass

SUBJECT: Special Appropriation to the Fiscal Year 2020 Operating Budget

Maryland Tech Council, Support for COVID-19 Response – Business Continuity

Task Force, \$250,000 (Source of Funds: General Fund Reserves)

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 shall 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 shall specify the source of funds to finance it.
- 2. A new coronavirus disease, named COVID-19, appeared in China in December 2019 and spread extremely quickly. On March 11, 2020, the World Health Organization declared the disease a pandemic. The April 11, 2020 situation report from the World Health Organization stated that the number of confirmed cases worldwide has exceeded 1.6 million, (approximately 1.5 million more than 1 month earlier). As of June 2, 2020, there were 11,731 cases and 584 deaths in Montgomery County.
- 3. To slow the spread of the disease, Governor Hogan declared a State of Emergency and has issued several Executive Orders with actions that include, but are not limited to, closing schools; prohibiting activities by non-essential businesses that restrict traditional on-site operations; closing senior centers and adult medical day care programs; limiting the number of people that can gather; and closing all gyms, movie theaters, and bars and restaurants (excluding carryout and delivery service).
- 4. The efforts to contain the spread of the disease and the disease itself continues to have a crippling impact on Montgomery County's local business community and non-profit organizations.
- 5. The Maryland Tech Council (MTC) has created the Business Continuity Task Force (BCTF) to assist tech and life science entrepreneurs in Maryland that are navigating the

economic downturn due to the health crisis. The BCTF includes experienced business leaders who have led businesses through the financial crisis, like the 2008 recession; this team will help small- and mid-sized tech and life science businesses plan for an optimal recovery and execute the recovery plan based on the economic conditions following the health crisis.

- 6. The MTC will partner with local jurisdictions and Economic Development Organizations (EDO) to market the BCTF's services to small- and mid-sized tech and life science businesses.
- 7. The MTC is seeking financial support from Maryland jurisdictions and local Economic Development Organizations to provide the BCTF's services to businesses in local jurisdictions at no cost to the businesses. The MTC is providing \$100,000 of undesignated funding to seed fund the BCTF's early-stage operations.
- 8. A FY20 Operating Budget special appropriation is requested for the Maryland Tech Council:

Personnel Services	Operating Expenses	<u>Total</u>	Source of Funds
\$0	\$250,000	\$250,000	General Fund Undesignated Reserve

- 9. This special appropriation is needed so that MTC may provide its recovery services through the BCTF to small- and mid-sized businesses in Montgomery County at no cost to the County businesses.
- 10. 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 FY20 Operating Budget for the Maryland Tech Council:

Personnel Services	Operating Expenses	<u>Total</u>	Source of Funds
\$0	\$250,000	\$250,000	General Fund Undesignated Reserve

This appropriation is needed to act without delay in the public interest.

This is a correct copy of Council action.
Colone Monda Cincleton For
Selena Mendy Singleton, Esq.
Clerk of the Council