



**Committee:** PHED  
**Committee Review:** At a future date  
**Staff:** Robert H. Drummer, Senior Legislative Attorney  
**Purpose:** To introduce agenda item – no vote expected  
**Keywords:** #economicstrategy

AGENDA ITEM 11.5A  
March 2, 2021  
**Introduction**

## SUBJECT

Bill 10-21, Economic Development – Economic Development Strategic Plan – Economic Development Corporation - Duties

Lead Sponsors: Councilmember Friedson

Co-Sponsors: Councilmembers Riemer and Navarro

## EXPECTED ATTENDEES

None

## COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- To introduce Bill – no vote expected

## DESCRIPTION/ISSUE

Bill 10-21 would:

- transfer the drafting of the County's Economic Development Strategic Plan from the Executive to the County's Economic Development Corporation;
- require the Executive to provide comments to the Council on each draft Plan by a date certain; and
- require the Council to adopt the Plan by a date certain.

## SUMMARY OF KEY DISCUSSION POINTS

- Would consolidate drafting and implementing the County's Economic Development Strategic Plan with the Montgomery County Economic Development Corporation improve economic development?

### This report contains:

Bill 10-21

©1

Legislative Request Report

©6

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**MEMORANDUM**

February 25, 2021

TO: County Council

FROM: Robert H. Drummer, Senior Legislative Attorney

SUBJECT: Bill 10-21, Economic Development – Economic Development Strategic Plan – Economic Development Corporation - Duties

PURPOSE: Introduction – No Council vote required

Bill 10-21, Economic Development – Economic Development Strategic Plan – Economic Development Corporation - Duties, sponsored by Lead Sponsor Councilmember Friedson and Co-Sponsors Councilmembers Riemer and Navarro, is scheduled to be introduced on March 2, 2021. A public hearing is tentatively scheduled for March 23, 2021 at 1:30 p.m.<sup>1</sup>

Bill 10-21 would:

- transfer the drafting of the County’s Economic Development Strategic Plan from the Executive to the County’s Economic Development Corporation;
- require the Executive to provide comments to the Council on each draft Plan by a date certain; and
- require the Council to adopt the Plan by a date certain.

**Background**

Bill 25-15, Economic Development – Reorganization – Montgomery County Economic Development Corporation, enacted on June 30, 2015 and signed into law on July 7, 2015, eliminated the Department of Economic Development as a principal department of the Executive Branch and transferred most of the duties to a non-profit corporation. The Council subsequently designated the Montgomery County Economic Development Corporation (MCEDC) to serve as the non-profit corporation responsible for implementing the County’s Economic Development Strategic Plan (Plan) prepared by the Executive.

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<sup>1</sup>#economicstrategy

Bill 10-21 would transfer the duty to draft the County's Economic Development Strategic Plan to MCEDC. On or before July 1, 2021, MCEDC would be required to submit a draft Plan to the Executive and the Council. The Executive would be required to submit comments on the Plan to the Council on or about September 1, 2021, and the Council would be required to adopt the Plan on or before December 1, 2021. The process would repeat each 4<sup>th</sup> year thereafter with a possible update after the second year of the Plan. The Bill also includes a transition clause that would delay the beginning of the first cycle to start on December 1, 2021 and conclude with Council adoption on or before April 15, 2022.

This packet contains:

Bill 10-21

Legislative Request Report

Circle #

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Bill No. 10-21  
Concerning: Economic Development –  
Economic Development Strategic  
Plan – Economic Development  
Corporation - Duties  
Revised: 2-25-21 Draft No. 10  
Introduced: March 2, 2021  
Expires: September 2, 2022  
Enacted: \_\_\_\_\_  
Executive: \_\_\_\_\_  
Effective: \_\_\_\_\_  
Sunset Date: None  
Ch. \_\_\_\_\_, Laws of Mont. Co. \_\_\_\_\_

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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Lead Sponsor: Councilmember Friedson  
Co-Sponsors: Councilmembers Riemer and Navarro

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**AN ACT** to:

- (1) transfer the drafting of the County’s Economic Development Strategic Plan from the Executive to the County’s Economic Development Corporation;
- (2) require the Executive to provide comments to the Council on each draft Plan by a date certain;
- (3) require the Council to adopt the Plan by a date certain; and
- (4) generally amend the law governing the County’s economic development.

By adding

Montgomery County Code  
Chapter 15A, Economic Development  
Section 15A-4A

By amending

Montgomery County Code  
Chapter 15A, Economic Development  
Section 15A-5

Chapter 20, Finance  
Sections 20-75 and 20-76

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

*The County Council for Montgomery County, Maryland approves the following Act:*

1           **Sec. 1. Section 15A-4A is added and Sections 15A-5, 20-75 and 20-76 are**  
 2 **amended as follows:**

3 **15A-4A. Economic Development Strategic Plan.**

4       (a) *Duties of the Montgomery County Economic Development Corporation.*  
 5           Beginning no later than July 1, 2021 and each fourth year thereafter, the  
 6 Montgomery County Economic Development Corporation (Corporation)  
 7 must submit a draft Economic Development Strategic Plan to the  
 8 Executive and the Council. The draft Economic Development Strategic  
 9 Plan should include relevant economic development measures and input  
 10 from partner agencies and organizations, such as the Planning Board and  
 11 the County's Workforce Development Organization.

12       (b) *Duties of the Executive.* Beginning no later than September 1, 2021 and  
 13 each fourth year thereafter, the Executive must submit to the Council any  
 14 recommended revisions to the draft Economic Development Strategic  
 15 Plan submitted by the Corporation.

16       (c) *Duties of the Council.*

17           (1) After receiving the draft Economic Development Strategic Plan  
 18 from the Corporation, the Council must hold a public hearing on  
 19 the draft Plan.

20           (2) Beginning on December 1, 2021 and each fourth year thereafter,  
 21 the Council must adopt, by resolution, an Economic Development  
 22 Strategic Plan.

23       (d) *Contents of the Plan.* The Economic Development Strategic Plan should  
 24 be consistent with the Council's Economic Development Platform  
 25 approved by Resolution No. 19-300 and must include metrics to assess  
 26 the County and its partners' ability to address relevant economic  
 27 development measures including:

- 28 (1) creation of jobs;
- 29 (2) growing wages;
- 30 (3) identifying and supporting strategic industries;
- 31 (4) retention and attraction of new companies and employers;
- 32 (5) growing the tax base;
- 33 (6) supporting and increasing entrepreneurial activity; and
- 34 (7) other actions necessary to promote economic development in the
- 35 County.

36 (e) Two-year Update. Beginning no later than July 1, 2023 and every fourth  
 37 year thereafter, the Corporation may submit amendments to the approved  
 38 Economic Development Strategic Plan based on new information since  
 39 the Council adoption of the previous Plan. The Executive may comment  
 40 and the Council may approve, after holding a public hearing, an amended  
 41 Economic Development Strategic Plan.

42 **15A-5. Economic development program.**

43 (a) The [Board of Directors] Montgomery County Economic Development  
 44 Corporation must recommend economic development programs and  
 45 associated performance measures to the Executive and Council each year  
 46 to advance the policy objectives and perform the activities listed in  
 47 Section 15A-1], including revisions to the County’s strategic plan for  
 48 economic development established by Section 20-76(a)].

49 (b) In its economic development programs, the Corporation should  
 50 collaborate with the Montgomery County Workforce Development  
 51 Board to advance the County’s economic development strategic plan  
 52 adopted under Section [20-76] 15A-4A.

53 \* \* \*

54 **20-75. Use of Fund.**

55 (a) The Director may spend or allocate funds from this Fund consistent with  
 56 the economic development strategic plan approved under Section [20-76  
 57 in a Regulation adopted under method (1)] 15A-4A, including the  
 58 following criteria:

- 59 (1) the proposed assistance will materially improve the County’s  
 60 economy and advance County economic development objectives  
 61 and strategies; or
- 62 (2) the assistance is necessary to:
  - 63 (A) bring a significant number of new jobs to the County;
  - 64 (B) add a significant number of new jobs to an existing  
 65 operation in the County;
  - 66 (C) retain a significant number of jobs at an existing operation  
 67 in the County; or
  - 68 (D) respond to other economic development objectives.

69 \* \* \*

70 **20-76. Economic Development [Strategic Plan,] Fund Administration.**

71 (a) [The Executive must submit, by method 1 regulation, an economic  
 72 development strategic plan for the County to the Council for approval on  
 73 or before October 1, 2015. Beginning no later than October 1, 2019 and  
 74 each fourth year thereafter, the Executive may amend the strategic plan,  
 75 by Method 1 regulation, to be consistent with the strategic plan adopted  
 76 by the Montgomery County Economic Development Corporation. The  
 77 success or progress of the strategic plan must be measurable and the plan  
 78 must include measures to address:

- 79 (1) job creation;
- 80 (2) private sector compensation and benefits;
- 81 (3) target industries;

- 82 (4) target geographic areas;
- 83 (5) workforce education and training;
- 84 (6) growth in tax base;
- 85 (7) economic opportunity for residents;
- 86 (8) encouragement of entrepreneurs and small business;
- 87 (9) land use; and
- 88 (10) other actions necessary to promote economic development in the
- 89 County.

90 (b)] The Executive may adopt Regulations under method (1) to administer  
 91 [this] the Economic Development Fund.

92 [(c)] (b) The Executive must report by March 15 each year on the status and  
 93 use of the Fund. This report can be included in the Executive’s proposed  
 94 operating budget. The annual report must:

- 95 (1) describe the success of each award of financial assistance in
- 96 satisfying the economic development goals supporting the
- 97 assistance;
- 98 (2) identify any assistance agreement where the recipient did not
- 99 satisfy the performance criteria in the agreement; and
- 100 (3) track the progress of the Fund in satisfying the overall goals of the
- 101 approved economic development strategic plan.

102 **Section 2. Transition.**

103 The Corporation must submit the first draft Economic Development Strategic  
 104 Plan to the Executive on or before December 1, 2021. The County Executive must  
 105 submit comments to the first draft Plan to the Council on or before January 15, 2022,  
 106 and the Council must adopt, by resolution, a first Economic Development Strategic  
 107 Plan on or before April 15, 2022.



## LEGISLATIVE REQUEST REPORT

Bill 10-21

*Economic Development – Economic Development Strategic Plan – Economic Development Corporation – Duties*

<b>DESCRIPTION:</b>	Bill 10-21 would: <ul style="list-style-type: none"><li>• transfer the drafting of the County’s Economic Development Strategic Plan from the Executive to the County’s Economic Development Corporation;</li><li>• require the Executive to provide comments to the Council on each draft Plan by a date certain; and</li><li>• require the Council to adopt the Plan by a date certain.</li></ul>
<b>PROBLEM:</b>	MCEDC is responsible for implementing the County’s Economic Development Strategic Plan but the Executive remains responsible for drafting the Plan.
<b>GOALS AND OBJECTIVES:</b>	Consolidation of drafting and implementing the Plan with the MCEDC.
<b>COORDINATION:</b>	County Executive, Finance.
<b>FISCAL IMPACT:</b>	To be provided
<b>ECONOMIC IMPACT:</b>	To be provided
<b>RACIAL EQUITY AND SOCIAL JUSTICE IMPACT:</b>	To be provided
<b>EVALUATION:</b>	To be provided
<b>EXPERIENCE ELSEWHERE:</b>	Unknown
<b>SOURCE OF INFORMATION:</b>	Robert H. Drummer, Senior Legislative Attorney
<b>APPLICATION WITHIN MUNICIPALITIES:</b>	N/A
<b>PENALTIES:</b>	N/A