



Committee: PHED
Committee Review: At a future date
Staff: Gene Smith, Legislative Analyst
Purpose: To introduce agenda item – no vote expected
Keywords: Incubators

AGENDA ITEM #5E
March 15, 2022
Introduction

SUBJECT

Special appropriation to the FY22 Operating Budget, Montgomery County Government, Incubator Programs Non-Departmental Account, \$789,000 (source of funds: general fund reserves)

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- N/A

DESCRIPTION/ISSUE

The subject special appropriation, sponsored by Councilmembers Riemer and Jawando; cosponsored by Councilmember Friedson, funds a set of initiatives to support minority, female, and disabled-owned (MFD) businesses in the County. The appropriation includes seven specific funding initiatives.

SUMMARY OF KEY DISCUSSION POINTS

- The source of funds for this appropriation is the general fund reserves. These resources were not assumed in the Executive's recommended FY23 Operating Budget that was transmitted today.
- The subject resolution lists seven initiatives that will be funded through this appropriation. The initiatives include:
 - 1) \$200,000 for the County to initiate a Center for MFD Entrepreneurship in the Silver Spring Innovation Center;
 - 2) Up to \$100,000 for a contract with the Maryland Black Chamber of Commerce for its Leadership Academy and a Small Business Lending Feasibility Study;
 - 3) Up to \$31,000 for a contract with the Black Business Council for its Black Business Database;
 - 4) Up to \$175,000 for a contract with the Maryland Small Business Development Center (SBDC). This amount includes: up to \$50,000 to provide technical assistance to incubator tenants and other local small businesses; up to \$50,000 for bi-lingual assistance through the SBDC's Hispanic Business Center; up to \$25,000 to conduct outreach; and up to \$50,000 for business training through the SBDC's Accelerator Business Training program;
 - 5) Up to \$50,000 for a contract with the Maryland Procurement and Technical Assistance Center to provide small businesses with assistance in obtaining federal, state and Montgomery County procurement prime and subcontracts;
 - 6) Up to \$60,000 for a contract with Nonprofit Village to provide for support and training for nonprofits founded and operated by Black executives;

- 7) Up to \$173,000 for a contract with the Black Collective for leadership and stakeholder engagement, community engagement forums, Black business training and technical assistance, a community online information portal, and a community engagement assessment and environmental scan.
- A public hearing is tentatively scheduled for March 22, 2022 at 1:30 PM. A Planning, Housing, and Economic Development Committee review will be scheduled at a future date following the public hearing.

This report contains:

Proposed resolution

© #1-3

Alternative format requests for people with disabilities. If you need assistance accessing this report you may [submit alternative format requests](#) to the ADA Compliance Manager. The ADA Compliance Manager can also be reached at 240-777-6197 (TTY 240-777-6196) or at adacompliance@montgomerycountymd.gov

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Sponsored by: Councilmembers Riemer and Jawando
Cosponsored by: Councilmember Friedson

SUBJECT: Special Appropriation to the Fiscal Year 2022 Operating Budget
Montgomery County Government, Incubator Programs – Economic Development
Partnership Non-Departmental Account, \$789,000 (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. The Planning, Housing, and Economic Development (PHED) Committee held worksessions on June 16, 2021 and July 26, 2021 about the County’s strategy to support Black-owned businesses in the County. Based on these worksessions, the Executive’s Business Advancement Team was expected to develop deliverables for the PHED Committee’s review to implement this strategy.
3. PHED Chair Riemer and Councilmember Jawando shared a memorandum on December 13, 2021 to initiate a list of economic equity priorities based on extensive discussions with Black business owners, leaders, residents, County staff, Councilmembers, external consultants, and other stakeholders.
4. PHED Chair Riemer and Councilmember Jawando recommend that the County fund a set of initiatives to support Minority, Female and Disabled-Owned (MFD) businesses in the County. The initiatives are: 1) create a Center for MFD Entrepreneurship in the Silver Spring Business Innovation Center, as well to provide management for the various funds and programs under this appropriation; 2) developing and executing a contract with the Maryland Black Chamber of Commerce (MBCC) to expand its Leadership Academy to provide educational and coaching support to local Black-owned businesses and conduct a

Small Business Lending Feasibility Study focusing on Black-owned businesses; 3) developing and executing a contract with the Black Business Council to create and maintain a Black Business Database and support its expansion; 4) developing and executing a contract with the Maryland Small Business Development Center and Maryland Procurement and Technical Assistance Center to provide management, technical, and procurement assistance to incubator tenants and other local small businesses; 5) providing funds to Nonprofit Village to support nonprofit organizations founded and operated by Black executives; and 6) developing and executing a contract with the Black Collective to provide engagement and technical assistance.

5. A FY 2022 Operating Budget special appropriation is requested for the Incubator Programs – Economic Development Partnership Non-Departmental Account:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$789,000	\$789,000	General Fund Reserves

6. This special appropriation will fund the initiatives as detailed in Paragraph 4.
7. 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 FY 2022 Operating Budget for the Incubator Programs – Economic Development Partnership Non-Departmental Account:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$789,000	\$789,000	General Fund Reserves

This special appropriation will be divided as follows:

- 1) \$200,000 for the County to initiate a Center for MFD Entrepreneurship in the Silver Spring Business Innovation Center;
- 2) Up to \$100,000 for a contract with the Maryland Black Chamber of Commerce for its Leadership Academy and a Small Business Lending Feasibility Study;
- 3) Up to \$31,000 for a contract with the Black Business Council for its Black Business Database;
- 4) Up to \$175,000 for a contract with the Maryland Small Business Development Center (SBDC). This amount includes: up to \$50,000 to provide technical assistance to incubator tenants and other local small businesses; up to \$50,000 for bi-lingual assistance through the SBDC’s Hispanic Business Center; up to \$25,000 to conduct

- outreach; and up to \$50,000 for business training through the SBDC's Accelerator Business Training program;
- 5) Up to \$50,000 for a contract with the Maryland Procurement and Technical Assistance Center to provide small businesses with assistance in obtaining federal, state and Montgomery County procurement prime and subcontracts;
 - 6) Up to \$60,000 for a contract with Nonprofit Village to provide for support and training for nonprofits founded and operated by Black executives;
 - 7) Up to \$173,000 for a contract with the Black Collective for leadership and stakeholder engagement, community engagement forums, Black business training and technical assistance, a community online information portal, and a community engagement assessment and environmental scan.

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

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council