



OFFICE OF RACIAL EQUITY AND SOCIAL JUSTICE


Marc Elrich
County Executive

Tiffany Ward
Director and Chief Equity Officer

MEMORANDUM

November 21, 2023

To: Jennifer Bryant, Director
Office of Management and Budget

From: Tiffany Ward, Director
Office of Racial Equity and Social Justice 

Re: Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #24-36
Business Center Life Sciences and Technology Center (CIP Project No. 78905)

- I. **FINDING:** The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental Appropriation #24-36 *Life Sciences and Technology Centers (CIP Project No. 78905)* is unlikely to advance racial equity and social justice in economic opportunity in the short term. As explained in the REIA of Supplemental Appropriation #22-59, local data suggests that the primary beneficiaries of additional wet labs (or repairs) are unlikely to be businesses owned by Black or Latino entrepreneurs—those who face the most significant barriers in business startup and survival, particularly in the life sciences field. As additional investments are made in the County to expand diversity and opportunity in the life sciences field, it is possible for additional wet labs to contribute to closing gaps in entrepreneurship. This is especially true given that these types of investments can reduce or eliminate certain fixed costs that disproportionately burden entrepreneurs, starting with fewer assets and less wealth to leverage during business start-up.
- II. **BACKGROUND:** The purpose of Supplemental Appropriation #24-36 to the FY24 Capital Budget is to allocate \$400,000 from Current Revenue: General to Life Sciences and Technology Centers (No. 78905) for the conversion of vacant office spaces to wet labs at the Germantown Incubator on Montgomery College's Germantown Campus. Based on available information, this increase is needed due to project cost adjustments stemming

from delays intended to prevent disruptions to existing tenants' operations, better align with tenants' workloads, and deal with issues related to the utility provider.

In February 2022, The Office of Racial Equity and Social Justice conducted a racial equity impact assessment (REIA) of the Life Sciences and Technology Centers (No. 78905) CIP project¹. In that, REIA ORESJ provided the demographic breakdown of firm ownership in the County as well as background about racial inequities in entrepreneurship, particularly in the biotech industry. Because Supplemental Appropriation #24-36 does not substantively alter the scope or objectives of this CIP project, ORESJ suggests that those considering Supplemental Appropriation #24-36 do so by reviewing the REIA for Supplemental Appropriation #22-59 Life Sciences and Technology Centers:
<https://www.montgomerycountymd.gov/ore/Resources/Files/22-59.pdf>.

cc: Ken Hartman, Director, Strategic Partnerships, Office of the County Executive

¹ <https://www.montgomerycountymd.gov/ore/Resources/Files/22-59.pdf>