

Committee: Directly to Council Committee Review: N/A

Staff: Gene Smith, Legislative Analyst

Purpose: Review and act **Keywords:** Incubators

AGENDA ITEM #3 May 3, 2022 Worksession/Action

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 the Council, 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 transmitted March 15, 2022.
- A public hearing was held on March 22, 2022 at 1:30 PM.
- See proposed amendments to the introduced resolution on ©4-6 based on a review by the Office
 of County Attorney and Council's attorney. These proposed amendments were shared with the
 lead sponsors.
- See the clean version of the resolution on ©7-9 should the Council amend and adopt the resolution based on the proposed amendments on ©4-6.

This report contains:

Introduced resolution	© #1-3
Revised resolution with amendment tracking	© #4-6
Clean resolution for adoption	© #7-9

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Resolution No.:	
Introduced:	March 15, 2022
Adopted:	

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Sponsored by: Councilmembers Riemer and Jawando Cosponsored by: Councilmembers Friedson, Rice, Albornoz, Navarro, Hucker, and Katz

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:

Personnel Operating Services Expenses		<u>Total</u>	Source of Funds	
\$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:

Personnel Operating Services Expenses		<u>Total</u>	Source of Funds	
\$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

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as	ssistance, a	community	online in	formation	portal,	and a	community	engagem	ent
as	ssessment ar	nd environm	ental scan						
This appropr	riation is nee	eded to act w	ithout dela	ay in the p	ublic int	erest.			

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

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- 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] <u>business database to facilitate MFD participation in County programs</u>; 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 <u>MFD</u> organizations <u>and increase their participation in County programs</u>[founded and operated by Black executives]; and 6) developing and executing a contract with the Black Collective to provide engagement and technical assistance.

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- 3) Up to \$31,000 for a contract with the Black Business Council for [its Black Business Database] a business database to facilitate and expand participation in the County's MFD program;
- 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;

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- 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]to facilitate and expand participation in the County's MFD program;
- 7) Up to \$173,000 for a contract with the [Black Collective]Nonprofit Village 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.

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[Selena Mendy Singleton, Esq.] <u>Judy Rupp</u> Clerk of the Council

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