



**Committee:** Directly to Council  
**Committee Review:** N/A  
**Staff:** Craig Howard, Deputy Director  
**Purpose:** To receive testimony/final action - vote expected

AGENDA ITEM #4  
March 14, 2023  
**Public Hearing/Action**

## SUBJECT

Supplemental Appropriation to the County Government's FY23 Operating Budget, Office of County Executive, Purple Line Light Rail Project Business Grants, \$815,000 (Source of Funds: State Grant)

## EXPECTED ATTENDEES

None

## DESCRIPTION/ISSUE

The County Council will hold a public hearing and consider action on a supplemental appropriation to the County Government's FY23 Operating Budget, Office of County Executive, \$815,000 for Purple Line Light Rail Project Business Grant. The source of funds is a State Grant.

## SUMMARY OF KEY DISCUSSION POINTS

- The County Executive requested this supplemental appropriation on February 6, 2023, and it was introduced by the Council on February 28, 2023.
- This appropriation will fund grants to eligible small businesses in the County impacted by the construction of the Purple Line Light Rail Project.
- The Maryland Department of Commerce is awarding Montgomery County \$815,000 to administer grants for eligible small businesses impacted by the construction of the Purple Line. The County has agreed with the State stipulating the eligibility criteria for small businesses, the requested demographic information on the application, and the reporting requirements.

### **This report contains:**

Executive memorandum  
Proposed resolution

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OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich  
*County Executive*

MEMORANDUM

February 6, 2023

TO: Evan Glass, President  
Montgomery County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Supplemental Appropriation #23-65 to the FY23 Operating Budget  
Montgomery County Government  
Office of the County Executive  
Purple Line Light Rail Project Grant Program  
\$815,000 (Source of Funds: State Grant)

I am recommending a supplemental appropriation to the FY23 Operating Budget of the Office of the County Executive, Business Center in the amount of \$815,000 for Purple Line Light Rail Project Business Grants. This appropriation will fund grants to eligible small businesses in the County impacted by the construction of the Purple Line Light Rail Project (the "Purple Line").

The Maryland Department of Commerce is awarding Montgomery County \$815,000 to administer grants for eligible small businesses impacted by the construction of the Purple Line. The County has agreed with the State stipulating the eligibility criteria for small businesses, the requested demographic information on the application, and the reporting requirements. The State agreement allows the County to use up to 10% of the State grant for administrative costs; however, the County's Business Center will administer the grants directly to support more impacted small businesses.

I recommend that the County Council approve this supplemental appropriation in the amount of \$815,000 and specify the source of funds as a State Grant.

I appreciate your prompt consideration of this action.

ME:amr

Enclosures: Supplemental Appropriation #23-65

Resolution No.: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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By: Council President at the Request of the County Executive

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**SUBJECT:** Supplemental Appropriation #23-65 to the FY23 Operating Budget  
Montgomery County Government  
Office of County Executive  
Purple Line Light Rail Project Business Grants, \$815,000

**Background**

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of six Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of seven Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
2. The County Executive has requested the following FY23 Operating Budget appropriation increases for Office of the County Executive:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$815,000	\$815,000	State Grant

3. Effective June 1, 2021, the State of Maryland established the Purple Line Construction Zone Grant Program to provide funds to qualified small businesses impacted by the construction of the Purple Line Light Rail Project (the “Purple Line”).
4. On August 29, 2022, the State of Maryland, pursuant to Sections 16-101 and 16-102 of the Economic Development Article as amended Chapter 116 of the Laws of Maryland of 2022, provided a funding grant to Montgomery County to be used to assist businesses impacted by the construction of the Purple Line in Montgomery County.
5. Montgomery County has entered into an agreement with the Maryland Department of Commerce for a grant in the amount of \$815,000 to be distributed to the County in two disbursements of \$407,500 each for administering Purple Line business grants. The purpose of the grant is to enable Montgomery County to provide grants to eligible small businesses impacted by construction of the Purple Line during the construction period.
6. All funding will be disbursed to Eligible Grantees no later than December 31, 2024.
7. The County Executive recommends a supplemental appropriation to the FY23 Operating Budget in the amount of \$815,000 for Purple Line Light Rail Project Business Grants and specifies that the source of funds will be a State Grant.
8. 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 supplemental appropriation to the FY23 Operating Budget of the Office of the County Executive is approved as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$815,000	\$815,000	State Grant

This is a correct copy of Council action.

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Judy Rupp  
Clerk of the Council