Resolution No.: 20-1242
Introduced: October 6, 2026
Adopted: October 20, 2026

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President at the Request of the County Executive

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SUBJECT: Supplemental Appropriation # 27-15 to the FY27 Operating Budget Montgomery County Government - Department of Finance Economic Development Fund Grant and Loan Program, $1,650,000

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 FY27 Operating Budget appropriation increases for the Department of Finance:

Personnel Services	Operating Expenses	Total	Source of Funds
$0	$1,650,000	$1,650,000	General Fund Reserves

3. This increase is needed to support an Economic Development Fund conditional grant (EDFGLP) of up to $1,650,000 for the retention of Fox Television Stations, LLC in Montgomery County.

   a. In February 2018 the Maryland Department of Commerce and Montgomery County, proffered a joint incentive package of $5,085,000 to Fox Television

Stations, LLC ("Fox") for the relocation of its television studios and 178 full-time permanent jobs from the District of Columbia to Bethesda. The incentive included County and State real and personal property tax credits through the New Jobs Tax Credit Program (NJTC) estimated at $1,750,000 over six consecutive years.

b. After the first NJTC award for Levy Year 2022, the Department of Finance's Treasury Division determined that the property owner at the time - Carr Properties - was also receiving Energy & Environmental Design ("Green Building") Tax credits for Levy Years 2022 and 2023 on the property. Section 52-90 of the County Code - New Jobs Tax Credit and Enhanced New Jobs Tax Credit states that "… (3) A business entity does not qualify for a new jobs tax credit or enhanced tax credit if: ... (B) the business entity or another taxpayer has been given a tax credit or exemption for the new or expanded premises during the same taxable year under any other state or County law…."

c. Fox maintains that the NJTC was a deciding factor in accepting the combined State and County incentive package. As the estimated $1,750,000 NJTC exceeded both the State's conditional loan and the County's conditional grant combined, this is a reasonable contention.

d. Prior to any disbursement of the EDFGLP Fox would be required to repay the $448,467.02 tax credit it received for Levy Year 2022. The EDFGLP would also extend the duration of Fox's commitment to remain in Montgomery County.

4. The County Executive recommends a supplemental appropriation to the FY27 Operating Budget in the amount of $1,650,000 for the Economic Development Fund Grant and Loan Program and specifies that the source of funds will be Undesignated General Fund Reserves.

5. 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 FY27 Operating Budget of the Department of Finance is approved as follows:

Personnel Services	Operating Expenses	Total	Source of Funds
$0	$1,650,000	$1,650,000	General Fund Reserves

This is a correct copy of Council action.

Sara R. Tenenbaum
Clerk of the Council