



Committee: Directly to Council
Committee Review: N/A
Staff: Christine Wellons, Chief Legislative Attorney
Purpose: Final action – vote expected

AGENDA ITEM #2C
July 15, 2025
Action

SUBJECTS

Expedited Bill 20-25, Economic Development Corporation - Economic Development Strategic Plan - Deadlines

Lead Sponsors: Council President Stewart and Councilmember Balcombe

EXPECTED ATTENDEES

N/A

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- A motion and roll call vote on the enactment of Expedited Bill 20-25 are expected.

DESCRIPTION/ISSUE

Expedited Bill 20-25 would:

- (1) alter due dates associated with the preparation of an economic development strategic plan; and
- (2) generally amend the law regarding the economic development corporation and the economic development strategic plan.

SUMMARY OF KEY DISCUSSION POINTS

- N/A

This report contains:

Staff Report	Pages 1-3
Expedited Bill 20-25	© 1
Fiscal Impact Statement	© 3
Economic Impact Statement	© 4
Racial Equity and Social Justice Impact Statement	© 7
Climate Assessment	© 9
Public Testimony	© 12

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M E M O R A N D U M

July 10, 2025

TO: County Council

FROM: Christine Wellons, Chief Legislative Attorney

SUBJECT: Expedited Bill 20-25, Economic Development Corporation - Economic Development Strategic Plan - Deadlines

PURPOSE: Action – Roll call vote expected

Expedited Bill 20-25, Economic Development Corporation - Economic Development Strategic Plan - Deadlines, was introduced on June 17, 2025. The Lead Sponsors are Council President Stewart and Councilmember Balcombe. A public hearing on the bill occurred on July 8. A final vote on the bill is tentatively scheduled for July 15.

Expedited Bill 20-25 would:

- (1) alter due dates associated with the preparation of an economic development strategic plan; and
- (2) generally amend the law regarding the economic development corporation and the economic development strategic plan.

BACKGROUND

The Montgomery County Economic Development Corporation has informed the Council that it is unable to submit a draft Economic Development Strategic Plan by the statutory deadline of July 1, 2025. The purpose of the expedited bill would be to provide the Corporation with additional time to develop the plan as they undergo a transition in leadership.

BILL SPECIFICS

Under current law, the Montgomery County Economic Development Corporation (Corporation) would be required to submit a draft four-year Economic Development Strategic Plan to the Executive and the Council by July 1, 2025. The Executive would submit revisions to the Plan to the Council by September 1, 2025. Lastly, the Council would approve the plan by December 1, 2025.

Under Expedited Bill 20-25, the deadlines would be as follows:

- July 31, 2026 for the draft plan by the Corporation;
- January 15, 2027 for the revised plan by the Executive; and
- March 15, 2027 for the approved plan by the Council.

Thereafter, the regular statutory deadlines would resume, meaning that the subsequent draft plan would be due on July 1, 2029, and every four years thereafter.

SUMMARY OF IMPACT STATEMENTS

Fiscal impact. According to the Office of Management and Budget (OMB), “the delayed submission and adoption of an Economic Development Strategic Plan could have an indeterminate impact on the County’s economic growth.”

Economic impact. The Office of Legislative Oversight (OLO) “anticipates that Expedited Bill 20-25 would have no direct impact on economic conditions in the County in terms of the Council’s priority indicators.” However, OLO notes that by extending the deadline for the Montgomery County Economic Development Corporation to submit the draft Economic Development Strategic Plan from July 1, 2025 to July 1, 2026, the Bill could lead to the development of a plan with greater potential for effective implementation, which could indirectly improve certain indicators prioritized by the Council.

Racial equity and social justice impact. OLO “anticipates Expedited Bill 20-25 will have a minimal impact on racial equity and social justice (RESJ) in the County. Bill 20-25 would extend the Montgomery County Economic Development Corporation’s deadline for submitting the County’s Economic Development Strategic Plan by one year. This is not likely to meaningfully benefit or burden community members by race and ethnicity nor impact racial and social inequalities in the County.” As such, OLO does not offer any recommended amendments to Expedited Bill 20-25.

Climate assessment. OLO “anticipates Expedited Bill 20-25 will have no impact on the County’s contribution to addressing climate change...”

SUMMARY OF PUBLIC HEARING

Gordie Brenne, of The Montgomery County Taxpayers League, testified that the Council should use Expedited Bill 20-25 as an opportunity to clearly state the Council’s objectives for the next Economic Development Strategic Plan.

This packet contains:
Expedited Bill 20-25

Circle #
© 1

Fiscal Impact Statement	© 3
Economic Impact Statement	© 4
Racial Equity and Social Justice Impact Statement	© 7
Climate Assessment	© 9
Public Testimony	© 12

Expedited Bill No. 20-25
Concerning: Economic Development
Corporation - Economic Development
Strategic Plan - Deadlines
Revised: 6/6/2025 Draft No. 1
Introduced: June 17, 2025
Expires: December 7, 2026
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsors: Council President Stewart and Councilmember Balcombe

AN EXPEDITED ACT to:

- (1) alter due dates associated with the preparation of an economic development strategic plan; and
- (2) generally amend the law regarding the economic development corporation and the economic development strategic plan.

By amending

2021 Laws of Montgomery County, Chapter 12, Section 2

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

1 **Sec. 1. Section 2 of Chapter 12 of the 2021 Laws of Montgomery County is**
2 **amended as follows:**

3 **Sec. 2. Transition.** The Corporation must submit the first draft Economic
4 Development Strategic Plan to the Executive on or before December 31, 2021. The
5 County Executive must submit comments to the first draft Plan to the Council on or
6 before January 31, 2022, and the Council must adopt, by resolution, a first Economic
7 Development Strategic Plan on or before April 15, 2022. The Corporation must
8 submit the second draft Economic Development Strategic Plan to the Executive on or
9 before July 31, 2026. The County Executive must submit comments to the second
10 draft Plan to the Council on or before January 15, 2027, and the Council must adopt,
11 by resolution, the second Economic Development Strategic Plan on or before March
12 15, 2027.

13 **Sec. 2. Expedited Effective Date.** The Council declares that this legislation is
14 necessary for the immediate protection of the public interest. This Act takes effect on
15 the date on which it becomes law.



Fiscal Impact Statement

Office of Management and Budget

Bill 20-25	Economic Development Corporation - Economic Development Strategic Plan - Deadlines
Bill Summary	Expedited Bill 20-25 will alter due dates for the County's Designated Business Development Corporation, Montgomery County Economic Development Corporation (MCEDC), regarding the delivery of the economic development strategic plan.
Fiscal Impact Summary	The delayed submission and adoption of an Economic Development Strategic Plan could have an indeterminate impact on the County's economic growth.
Fiscal Impact Analysis	MCEDC's Economic Development Strategic Plan includes relevant economic development measures and input from partner agencies and organizations. The Plan also includes metrics to assess the County and its partners ability to address relevant economic development measures including: the creation of jobs; growing wages; identifying and supporting strategic industries; retaining and attracting new companies and employees; growing the County's tax base; supporting increases in entrepreneurial activities; and other actions necessary to promote economic development in the County. Delays in the delivery of the updated Plan, could affect its expected outcomes of a thriving and diversified economy, racial equity and social justice, greater innovation, and environmental sustainability.
Staff Impact	The bill is not expected to impact staff time or duties.
Actuarial Analysis	The bill is not expected to impact retiree pension or group insurance costs.
Information Technology Impact	The bill is not expected to impact the County Information Technology (IT) or Enterprise Resource Planning (ERP) systems.
Other Information	
<i>Later actions that may impact revenue or expenditures if future spending is projected</i>	The bill does not authorize future spending.
Contributors	Ken Hartman, Assistant Chief Administrative Officer, Office of the County Executive Julie Knight, Fiscal and Policy Analyst, Office of Management and Budget



Economic Impact Statement

Montgomery County, Maryland

Expedited Bill 20-25: Economic Development Corporation – Economic Development Strategic Plan – Deadlines

SUMMARY

The Office of Legislative Oversight (OLO) anticipates that Expedited Bill 20-25 would have no direct impact on economic conditions in the County in terms of the Council's priority indicators. However, OLO notes that by extending the deadline for the Montgomery County Economic Development Corporation to submit the draft Economic Development Strategic Plan from July 1, 2025 to July 31, 2026, the Bill could lead to the development of a plan with greater potential for effective implementation, which could indirectly improve certain indicators prioritized by the Council.

BACKGROUND AND PURPOSE OF EXPEDITED BILL 20-25

As Montgomery County's official economic development organization, Montgomery County Economic Development Corporation (MCEDC)—a nonprofit public-private partnership funded by the County—is required to submit a draft Economic Development Strategic Plan ("Strategic Plan") to the Executive and the Council every four years, with the option to issue updates every two years.

The Strategic Plan aims to foster "a thriving and diversified economy; racial equity and social justice; greater innovation; and environmental sustainability."¹ It must include measures to assess capacity of the County and its partners (i.e., Planning Board and the County's Workforce Development Organization) to promote economic development through:

- (1) Job creation;
- (2) Wage growth;
- (3) Identification and support of strategic industries;
- (4) Retention and attraction of new companies and employers;
- (5) Tax base growth;
- (6) Support for and growth of entrepreneurial activity; and
- (7) Additional initiatives to promote local economic development.²

Once MCEDC has submitted a draft Strategic Plan, the Executive may propose revisions, after which the Council must hold a public hearing and adopt the final Strategic Plan by resolution.³

Under current law, MCEDC is required to submit a draft Strategic Plan to the Executive and the Council by July 1, 2025. MCEDC has informed the Council that it is unable to meet this deadline.⁴

¹ Montgomery County Code, "[Sec. 15A-4A. Economic Development Strategic Plan.](#)"

² Ibid.

³ Montgomery County Code, "Sec. 15A-4A."

⁴ See memo from Christine Wellons, Chief Legislative Attorney, in [Introduction Staff Report for Expedited Bill 20-25, Economic Development Corporation – Economic Development Strategic Plan – Deadline](#), Montgomery County Council, June 17, 2025.

The purpose of Expedited Bill 20-25 is to provide MCEDC with additional time to develop the Strategic Plan. If enacted, it would amend the deadlines to the following:

- July 31, 2026 for the draft plan;
- January 15, 2027 for the Executive's revised plan; and
- March 15, 2027 for the Council's approved plan.⁵

The Council introduced the Expedited Bill 20-25 on June 17, 2025.

INFORMATION SOURCES, METHODOLOGIES, AND ASSUMPTIONS

As required by 2-81B of the Montgomery County Code, this Economic Impact Statement evaluates the impacts of Expedited Bill 20-25 on residents and private organizations in relation to Council's priority economic indicators. In doing so, it examines whether the Bill would have a net positive or negative impact on overall economic conditions in the County.⁶

With the enactment of Bill 10-21 in May 2021, the Council transferred responsibility for developing the Strategic Plan from the County Executive to MCEDC.⁷ As explained in the Economic Impact Statement on the Bill, the Strategic Plan cannot, on its own, have *direct effects* on residents or private organizations in the County in terms of the Council's priority economic indicators. To illustrate, simply publishing the plan does not lead to increased private investment or other measurable outcomes. However, a Strategic Plan may generate *indirect effects* that arise through the quality of its contents and, more importantly, its implementation by the County and its private partners, as reflected in changes to partner programming, County budget and policy decisions, and other behavioral outcomes.⁸

On this basis, OLO concludes that extending the deadline for MCEDC to submit the draft Strategic Plan from July 1, 2025 to July 31, 2026 would not *directly* impact residents, County-based private organizations, or overall economic conditions in terms of the Council's priority economic indicators. However, OLO notes that if the extension results in the development of a Strategic Plan with greater potential for effective implementation, the Bill could *indirectly* improve certain indicators prioritized by the Council.

VARIABLES

Not applicable

⁵ Ibid

⁶ Montgomery County Code, "[Sec. 2-81B, Economic Impact Statements](#)."

⁷ Montgomery County Council, "[Bill 10-21, Economic Development – Economic Development Strategic Plan – Economic Development Corporation](#)," Enacted May 27, 2021.

⁸ Stephen Roblin, "[Economic Impact Statement: Bill 10-21, Economic Development – Economic Development Strategic Plan – Economic Development Corporation - Duties](#)" (Office of Legislative Oversight, Montgomery County Council, March 22, 2021).

IMPACTS

WORKFORCE ▪ TAXATION POLICY ▪ PROPERTY VALUES ▪ INCOMES ▪ OPERATING COSTS ▪ PRIVATE SECTOR CAPITAL INVESTMENT ▪ ECONOMIC DEVELOPMENT ▪ COMPETITIVENESS

Not applicable

DISCUSSION ITEMS

Not applicable

CAVEATS

Two caveats to the economic impact analysis conducted here should be noted. First, predicting the economic impacts of legislation is a challenging analytical endeavor due to data limitations, the multitude of causes of economic outcomes, economic shocks, uncertainty, and other factors. Second, the analysis performed here is intended to *inform* the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the Bill under consideration.

CONTRIBUTIONS

Stephen Roblin (OLO) prepared this report.

Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

EXPEDITED BILL 20-25: ECONOMIC DEVELOPMENT CORPORATION - ECONOMIC DEVELOPMENT STRATEGIC PLAN - DEADLINES

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Expedited Bill 20-25 will have a minimal impact on racial equity and social justice (RESJ) in the County. Bill 20-25 would extend the Montgomery County Economic Development Corporation's deadline for submitting the County's Economic Development Strategic Plan by one year. This is not likely to meaningfully benefit or burden community members by race and ethnicity nor impact racial and social inequities in the County.

PURPOSE OF RESJ IMPACT STATEMENTS

RESJ impact statements (RESJIS) evaluate the anticipated impact of legislation on racial equity and social justice in the County. RESJ is a **process** that focuses on centering the needs, leadership, and power of Black, Indigenous, and other People of Color (BIPOC) and communities with low incomes. RESJ is also a **goal** of eliminating racial and social inequities. Applying a RESJ lens is important to achieve RESJ.¹ This involves seeing, thinking, and working differently to address the racial and social inequities that cause racial and social disparities.²

PURPOSE OF EXPEDITED BILL 20-25

The Montgomery County Economic Development Corporation (MCEDC) – a nonprofit public-private partnership, funded by the County – is the County's official economic development organization. Every four years, MCEDC is required to submit a draft Economic Development Strategic Plan to the Executive and the Council.³

The Economic Development Strategic Plan ("the Strategic Plan") aims to foster "a thriving and diversified economy; racial equity and social justice; greater innovation; and environmental sustainability." It must include several measures to assess the capacity of the County and its partners to promote economic development. Once MCEDC has submitted a draft Strategic Plan, the Executive may suggest revisions. After, the Council must hold a public hearing and adopt the final Strategic Plan by resolution.⁴

Under current law, MCEDC is required to submit a draft Strategic Plan to the Executive and the Council by July 1, 2025. MCEDC informed the Council that it is unable to meet this deadline. The purpose of Expedited Bill 20-25 is to provide MCEDC with additional time to develop the Strategic Plan. If enacted, Bill 20-25 would amend the deadlines to:⁵

- July 31, 2026 for the draft plan;
- January 15, 2027 for the Executive's revised plan; and
- March 15, 2027 for the Council's approved plan.

The Council introduced Expedited Bill 20-25 on June 17, 2025.

RESJ Impact Statement

Expedited Bill 20-25

ANTICIPATED RESJ IMPACTS

To consider the anticipated impact of Bill 20-25 on RESJ in the County, OLO recommends the consideration of two related questions:

- Who would primarily benefit or be burdened by this bill?
- What racial and social inequities could passage of this bill weaken or strengthen?

OLO anticipates Bill 20-25 will have a minimal impact on RESJ in the County. Bill 20-25 would extend MCEDC's deadline for submitting the Economic Development Strategic Plan by one year. The Strategic Plan will have implications on RESJ. However, extending the deadline for submitting the plan by one year is not likely to meaningfully benefit or burden community members by race and ethnicity nor impact racial and social inequities in the County.

RECOMMENDED AMENDMENTS

The Racial Equity and Social Justice Act requires OLO to consider whether recommended amendments to bills aimed at narrowing racial and social inequities are warranted in developing RESJ impact statements.⁶ OLO anticipates Expedited Bill 20-25 will have a minimal impact on RESJ in the County. As such, OLO does not offer recommended amendments.

CAVEATS

Two caveats to this racial equity and social justice impact statement should be noted. First, predicting the impact of legislation on racial equity and social justice is a challenging analytical endeavor due to data limitations, uncertainty, and other factors. Second, this RESJ impact statement is intended to inform the legislative process rather than determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

¹ Definition of racial equity and social justice adopted from [Marlysa Gamblin et al., "Applying Racial Equity to U.S. Federal Nutrition Programs," Bread for the World](#) and [Racial Equity Tools](#).

² Ibid.

³ [Montgomery County Code § 15-4A](#).

⁴ Ibid.

⁵ [Introduction Staff Report for Bill 20-25, Montgomery County Council, Introduced June 17, 2025, pgs. 1-2](#).

⁶ [Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established, Montgomery County Council](#).

Climate Assessment

Office of Legislative Oversight

EXPEDITED ECONOMIC DEVELOPMENT CORPORATION - BILL 20-25: ECONOMIC DEVELOPMENT STRATEGIC PLAN - DEADLINES

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Expedited Bill 20-25 will have no impact on the County's contribution to addressing climate change as it is proposing changes to the deadline for the Economic Development Strategic Plan.

BACKGROUND AND PURPOSE OF EXPEDITED BILL 20-25

As Montgomery County's official economic development organization, the Montgomery County Economic Development Corporation (MCEDC)—a nonprofit public-private partnership funded by the County—is required to submit a draft Economic Development Strategic Plan ("the Strategic Plan") to the Executive and the Council every four years, with the option to issue updates every two years.

The Strategic Plan aims to foster "a thriving and diversified economy; racial equity and social justice; greater innovation; and environmental sustainability."¹ It must include measures to assess the capacity of the County and its partners (i.e., Planning Board and the County's Workforce Development Organization) to promote economic development through:

- (1) Job creation;
- (2) Wage growth;
- (3) Identification and support of strategic industries;
- (4) Retention and attraction of new companies and employers;
- (5) Tax base growth;
- (6) Support for and growth of entrepreneurial activity; and
- (7) Additional initiatives to promote local economic development.²

Once MCEDC has submitted a draft Strategic Plan, the Executive may propose revisions, after which the Council must hold a public hearing and adopt the final Strategic Plan by resolution.³

Under current law, MCEDC is required to submit a draft Strategic Plan to the Executive and the Council by July 1, 2025. The Corporation has informed the Council that it is unable to meet this deadline.⁴

The purpose of Expedited Bill 20-25 is to provide the Corporation with additional time to develop the Strategic Plan. If enacted, it would amend the deadlines to the following:

- July 31, 2026 for the draft plan;
- January 15, 2027 for the Executive’s revised plan; and
- March 15, 2027 for the Council’s approved plan.⁵

The Council introduced Expedited Bill 20-25 on June 17, 2025.

ANTICIPATED IMPACTS

As the Bill proposes changes to the deadline for the Economic Development Strategic Plan, OLO anticipates it will have no impact on the County’s contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions, community resilience, and adaptative capacity.

RECOMMENDED AMENDMENTS

The Climate Assessment Act requires OLO to offer recommendations, such as amendments or other measures to mitigate any anticipated negative climate impacts.⁶ OLO does not offer recommendations or amendments as Expedited Bill 20-25 is likely to have no impact on the County’s contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions, community resilience, and adaptative capacity.

CAVEATS

OLO notes two caveats to this climate assessment. First, predicting the impacts of legislation upon climate change is a challenging analytical endeavor due to data limitations, uncertainty, and the broad, global nature of climate change. Second, the analysis performed here is intended to inform the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO’s endorsement of, or objection to, the bill under consideration.

PURPOSE OF CLIMATE ASSESSMENTS

The purpose of the Climate Assessments is to evaluate the anticipated impact of legislation on the County’s contribution to addressing climate change. These climate assessments will provide the Council with a more thorough understanding of the potential climate impacts and implications of proposed legislation, at the County level. The scope of the Climate Assessments is limited to the County’s contribution to addressing climate change, specifically upon the County’s contribution to greenhouse gas emissions and how actions suggested by legislation could help improve the County’s adaptative capacity to climate change, and therefore, increase community resilience.

While co-benefits such as health and cost savings may be discussed, the focus is on how proposed County bills may impact GHG emissions and community resilience.

CONTRIBUTIONS

OLO staffer Kaitlyn Simmons drafted this assessment.

¹ Montgomery County Code, “[Sec. 15A-4A. Economic Development Strategic Plan.](#)”

² Ibid.

³ Ibid.

⁴ See memo from Christine Wellons, Chief Legislative Attorney, in Introduction Staff Report for Expedited Bill 20-25, Economic Development Corporation – Economic Development Strategic Plan – Deadline, Montgomery County Council, June 17, 2025.

⁵ Ibid

⁶ Bill 3-22, Legislative Branch – Climate Assessments – Required, Montgomery County Council, Effective date October 24, 2022

Gordie Brenne, Treasurer, Montgomery County Taxpayers League

Our economic development strategy to expand our commercial tax base is not competitive and needs a new approach. We urge you to test new strategies to expand our commercial tax base before the bill's new March 2027 Council draft deadline. This will also mitigate the structural deficit time bomb that will explode in two years. The next Executive Director does need time to take control of the process. But this time should be used by the Council to lay the groundwork for success. Use this bill to clearly state the Council's objectives for the next plan so there is no surprise about what's expected, and taxpayers have assurance that you're making changes today so that the next plan can be implemented quickly and go beyond the aspirational wallpaper of past plans. Here are three suggestions:

1. **Refocus on commercial employers beyond Life Sciences-** AstraZenica is one of the largest organizations in our commercial tax base, and we just lost their plant expansion to Frederick County. Other planned development in north Bethesda is too focused on government agencies that don't pay taxes. White Oak development is mostly residential with only temporary construction jobs and its' very expensive and risky proposed TIF financing solution should be left to the next accountable CE to figure out. Why aren't we keying on leisure and hospitality jobs where we already have strengths with Marriott and Choice hotels?
2. **Include Transportation Solutions-** This is totally ignored in the current plan for political reasons. Fixing the American Legion Bridge and the Beltway are key to networking our employment strengths across the DMV.
3. **Restructure Property Taxes-** We need more competitive recruitment subsidies and other measures to avoid the structural deficit time bomb that will hit just as you are trying to implement the next plan. The Taxpayers League income tax testimony (5/13/25) called for a new economic development model to pace increasing government costs with commercial job growth to reduce our dependence on government jobs, and provide more property and income tax revenue to pay for growth. Restructuring the property assessment process with a county takeover will allow us to lower the property tax rate, give the state higher income taxes in exchange for their 10% haircut, increase accountability, and boost revenue efficiency by \$500 million.