

Resolution No.: 19-305  
Introduced: November 19, 2019  
Adopted: November 26, 2019

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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

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**SUBJECT:** Maryland Economic Development Assistance Authority and Fund Loan to assist Fox Television Stations, LLC attraction to Montgomery County (\$1,000,000)

**Background**

1. The County Executive endorses a conditional loan of \$1,000,000 to Fox Television Stations, LLC ("Fox TV") from the State of Maryland under the Maryland Economic Development Assistance Authority and Fund ("MEDAAF"), which is codified as Md. Code Ann., Econ. Dev. §§5-301-5-349.
2. MEDAAF provides conditional grants and loans to businesses engaged in eligible industries locating to, or expanding in, a "priority funding area" in the State of Maryland. Proceeds from the grant or loan may be used by the borrower to reimburse it for the acquisition or construction of buildings or real estate, and acquisition, construction and installation of machinery, equipment, furnishings, fixtures, leasehold improvements, site improvements, or infrastructure improvements.
3. The County has approved a conditional grant of \$500,000 from the County's Economic Development Fund ("EDF") to assist Fox TV's relocation to the County (the "County Match") on July 25, 2017. This grant will be funded by a Supplemental Appropriation as required by Section 20-75 (d) of the Montgomery County code. Through this grant Montgomery County has met the requirement of financing a part of the costs of the project which is equal to at least 10% of the financial assistance to be provided from MEDAAF as required by the Section 5-319(d) of the Economic Development Article, Annotated Code of Maryland.
4. The State will disburse the MEDAAF loan to Fox TV upon the State entering a MEDAAF Agreement with the company. The County is not a party to this MEDAAF Agreement.
5. Fox TV is a subsidiary of 21st Century Fox America, Inc., which itself is part of the \$41.5 billion media conglomerate, Twenty-First Century Fox, Inc. In the DMV region, the company operates WDCA (Channel 20) and WTTG (Channel 5). WTTG, along with a sister-station in New York City, became the world's first licensed commercial television network as part of the DuMont Television Network. WTTG was acquired by

Fox in 1986. WDCA-TV, founded in 1966 as an independent station, was acquired by Fox TV in 2001, resulting in the creation of the first television duopoly in the Washington, D.C. market. Fox merged the two stations' operations, moving WDCA from its longtime studios in Bethesda, Maryland, into WTTG's facilities on Wisconsin Avenue NW in the District, where WTTG had been operating since 1996.

6. Fox TV will locate to 7272 Wisconsin Avenue, Bethesda. This site, owned by Carr Properties is under development for a 350,000 sq. ft., trophy-class office building - part of a project that will also include 14,500 sq. ft. of retail space and two residential buildings with a total of 480 units. The project is also the location of the convergence of the Metro Red Line and the planned light-rail Purple Line. Delivery of the office building is anticipated in Q4 2020, which aligns with Fox TV's lease expiration. All of Fox TV's related managerial, communications, engineering, and administrative support functions for both stations would be relocated to 7272 Wisconsin Avenue resulting in 178 new jobs in the County and \$32.2 million in capital investment for a new 60,000 - 65,000 square foot build-to-suit space.
7. Section 5-319(d) of the Economic Development Article requires the governing body of the jurisdiction in which the project is located to endorse, by a formal resolution, the State's grant of the MEDAAF loan for the project.
8. The County has determined that granting the MEDAAF loan for the project is in the best interest of the citizens of the County.
9. The County Executive requests that the Council adopt this formal resolution approving the MEDAAF loan for the project.


### **Action**

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

The County Council hereby endorses the granting of the State's grant of \$1,000,000 MEDAAF loan to support Fox Television Stations, LLC's attraction to Montgomery County.

This Resolution is effective upon its adoption in accordance with applicable law.

This is a correct copy of Council action.

  
Mary Anne Paradise,  
Acting Clerk of the Council