

Bill No. 11-24
Concerning: Finance – Economic
Development Fund – Make Office
Vacancy Extinct (MOVE) Grant
Program - Established
Revised: 7/30/2024 Draft No. 4
Introduced: April 16, 2024
Enacted: July 30, 2024
Executive: _____
Effective: _____
Sunset Date: _____
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsors: Councilmembers Glass, Fani-González, Balcombe and Sayles
Co-sponsors: Council Vice-President Stewart and Councilmembers Luedtke, Mink, Albornoz, Katz,
and Council President Friedson

AN ACT to:

- (1) establish a business incentive grant program under the Economic Development Fund to support eligible businesses with the rental costs of locating, relocating or expanding office space in the County;
- (2) codify incentives for new businesses relocating to the County currently provided under the make office vacancy extinct (MOVE) pilot grant program;
- [[~~(2)~~]] (3) provide incentives to new and existing businesses expanding operations in the County;
- [[~~(3)~~]] (4) set eligibility criteria for businesses qualifying for the program incentives; and
- [[~~(4)~~]] (5) generally amend the laws regarding finance and economic development.

By amending

Montgomery County Code
Chapter 20, Finance
Section 20-76G

By adding

Montgomery County Code
Chapter 20, Finance
Section 20-76H

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 20-76G is amended and 20-76H is added as follows:**

2 **[20-76G. Remedies for Fraudulent Applications or Misuse of Funds.**

- 3 (a) The remedies under this Section supplement any other remedy available
 4 under the law, including any remedy under Section 20-75(f)(2).
- 5 (b) A person who submits a false or fraudulent application, or withholds
 6 material information, to obtain assistance under this Article has
 7 committed a Class A violation.
- 8 (c) A person who violates Subsection (b), or who uses assistance from the
 9 Fund for an unauthorized purpose under Section 20-75(f), is liable for all
 10 court costs and expenses and reasonable attorney’s fees incurred by the
 11 County to recover any payment, interest, or penalty.]

12 **20-76G. Make Office Vacancy Extinct (MOVE) - grant program.**

- 13 (a) Definitions. As used in this section:
- 14 Business means any for-profit or nonprofit corporation or firm that is not
 15 owned, primarily funded, or controlled by a government agency.
- 16 Director means the Director of the Department of Finance.
- 17 Fund means the Economic Development Fund established in Section 20-
 18 73.
- 19 Office space is a real estate location in a [[Class A or Class B]] building
 20 leased and occupied by a business for a commercial purpose that is not
 21 for retail[[,]] or a restaurant[[, independent financial or insurance agent or
 22 broker establishments]]. Craft alcohol production companies such as
 23 breweries, cideries, distilleries, and wineries, whose primary use of the
 24 space is production are eligible despite their retail operations.
- 25 Program is the Make Office Vacancy Extinct (MOVE) Grant Program
 26 established under subsection (b).

27 (b) Established. Subject to appropriation, there is hereby established the
 28 Make Office Vacancy Extinct (MOVE) Grant Program under the
 29 Economic Development Fund to support eligible businesses with the
 30 rental costs of locating, relocating or expanding office space in the
 31 County.

32 (c) Eligibility. ~~[[The Director, based upon information submitted by the~~
 33 applicant for assistance, must find that:]] An applicant is eligible to
 34 receive a MOVE grant, if the Director finds, based upon information
 35 submitted by the applicant that:

36 (1) the applicant is the owner of either a new business in the County;
 37 an existing business located in the County seeking to expand its
 38 office space within the County; or an existing business located
 39 outside the County seeking to relocate to the County.

40 (2) the applicant's application for funds under this section is submitted
 41 within ~~[[90]] 180 days of the applicant signing a lease for office~~
 42 space in the County;

43 (3) the applicant's lease is for not less than 3 years; and

44 (4) the applicant is not a sole proprietorship that primarily sells
 45 products underwritten by a third party.

46 Subject to availability of funds on a first come first served basis, an
 47 eligible applicant may receive funding for the amount of the lease but not
 48 to exceed \$150,000.

49 (d) Regulations. The Executive must adopt method 1 regulations to
 50 implement this section. The regulations must:

51 (1) specify the application procedures and documentation required to
 52 prove eligibility for a grant to a business under the Program;

53 (2) specify conditions that the Director may impose on a business in
 54 order to receive financial assistance from the Fund under the
 55 Program;

56 (3) specify an amount or rate for calculating what amount eligible
 57 businesses will qualify for each fiscal year; and

58 (4) identify outreach methods and marketing strategies to inform
 59 businesses of the Program.

60 (e) Reports. On or before March 31 of each year, the Director must report to
 61 the Council on the activities of the Program. The report must include:

62 (1) the number of businesses participating in the Program;

63 (2) the dollar amount of grants made;

64 (3) an analysis of how the calculation of the amount or rate of each
 65 grant has kept up with inflation and other market considerations;

66 (4) an evaluation of the impact of each grant on the operation of the
 67 business; and

68 (5) how the program is advancing economic development in the
 69 County.

70 **20-76H. Remedies for fraudulent applications or misuse of funds.**

71 (a) The remedies under this Section supplement any other remedy available
 72 under the law, including any remedy under Section 20-75(f)(2).

73 (b) A person who submits a false or fraudulent application, or withholds
 74 material information, to obtain assistance under this Article has
 75 committed a Class A violation.

76 (c) A person who violates Subsection (b), or who uses assistance from the
 77 Fund for an unauthorized purpose under Section 20-75(f), is liable for all

78 court costs and expenses and reasonable attorney's fees incurred by the
79 County to recover any payment, interest, or penalty.

Approved



July 30, 2024

Andrew Friedson, President, County Council

Date

Approved:

Marc Elrich, County Executive

Date

This is a correct copy of Council action.

Sara R. Tenenbaum, Clerk of the Council

Date