

Montgomery County Economic Development Corporation

Special Board of Directors Meeting to Discuss Action
on Subdivision Staging Policy/County Growth Policy

October 1, 2020
Via Zoom

Meeting Minutes

The following Directors were present:

Robby Brewer, Principal, Lerch, Early & Brewer (Chair)
Kevin Beverly, President & CEO, Social & Scientific Systems (Vice-Chair)
Elana Fine, Chief Operating Officer, VWG Wealth Management (Secretary)
Carmen Larsen, Aquas Inc. (Treasurer)
Terry Forde, CEO, Adventist Healthcare
Angela Graham, President & CEO, Quality Biological
Leonard Howie, Interim President & CEO, WorkSource Montgomery
Matthew Lee, President & CEO at FASTech, Inc. (joined at 12:45 pm)
Dr. Sanjay Rai, SVP for Academic Affairs, Montgomery College (joined at 12:13 pm)
Ola Sage, CEO, CyberRx (joined at 12:31 pm)
Jerome Fletcher, Assistant Chief Administrative Officer, Montgomery County (Ex-officio)
Andrew Friedson, Councilmember Montgomery County (Ex-officio); departed at 12:20 pm

The following Director was not present:

Tien Wong, CEO, Lore Systems, Tech 2000, Opus8, Inc.

Other members of the public were present, consistent with the requirements of the Open Meetings Act and in accordance with the Corporation's Bylaws. A full list of participants is enclosed.

Board Chair Brewer called the virtual meeting to order at 12:06 pm. A quorum of the Directors was present. Ms. Hardy was designated to take minutes.

Subdivision Staging Policy/County Growth Policy Discussion

Mr. Brewer thanked the Board for attending the special meeting to continue the conversation regarding the Subdivision Staging Policy (SSP)/County Growth Policy (CGP). Recognizing that the SSP/CGP has a potential economic development impact and that the County Council is currently reviewing the Planning Board's proposal, the question before the board is to determine if there is a consensus for a MCEDC course of action. Mr. Brewer referenced the summary of key issues and possible options that had been sent to the Board in preparation for the meeting. He then asked the Board to share any additional comments or questions.

Discussion Highlights

- Ms. Larsen suggested that the proposed recommended changes to the SSP may not be as sustainable as they could be because public hearings were begun in September 2019 and did not fully account for the current impact of the pandemic.
- Ms. Fine requested clarification regarding the relationship between the Planning Board and the County Executive's alternative position on moratoriums and the Board's previous discussion about economic competitiveness as it relates to the tax rates in other jurisdictions.
- Councilmember Friedson clarified the intent of the SSP, noting that it is designed to ensure that the county has adequate and appropriate public facilities and is economically competitive. Councilmember Friedson discussed the impact of moratoriums and impact taxes on the economic competitiveness of the County.

- Mr. Wu noted that in a previous meeting with the board, the County Executive presented his view of the Montgomery County tax structure in comparison to other jurisdictions in the region and suggested the county's tax structure is comparable when analyzed holistically.
- Mr. Beverly noted that if impact taxes are an impediment to economic competitiveness, not taking action to change the tax structure will further impede economic growth. Mr. Beverly inquired about the availability of data to determine the impact of the SSP on economic growth. Mr. Beverly suggested that MCEDC could pursue this data if it does not exist.
- Dr. Rai stressed the importance of clearly communicating what the county's tax advantages are relative to other jurisdictions and agreed that changes are needed to ensure competitiveness.
- Mr. Forde discussed the workforce recruitment challenges that his company will face over the next 18 months as a result of the lack of affordable housing options in the county. Mr. Brewer suggested advocating for a more equitable tax structure that does not add significantly to the cost of new housing.
- Ms. Graham agreed with Mr. Beverly's point that structural changes are critical to stimulate more commercial growth.
- Ms. Sage also agreed with Mr. Beverly's comments and inquired about whether there is an opportunity for MCEDC to take a leadership role to better understand the best way to move forward.
- Ms. Fine suggested that MCEDC could serve as a convener to address the challenges that have been identified by the County Executive, CEOs, etc. Ms. Graham agreed and suggested that developers also be at the table.
- Mr. Brewer noted that the County Executive's Task Forces and the Economic Advisory Group are expected to formalize their recommendations on the growth of the economy by mid-November. Mr. Brewer also noted that the results of the Reach Advisors study will be presented to the Board at the October meeting. The study addresses historical issues that impact the economy and offers recommendation to help to move the county forward. Using these efforts, Mr. Brewer suggested that the Board could conduct a further discussion to address the broader implications of the county's economic competitiveness and collect the research required to support this effort.

Mr. Brewer conducted a straw poll of the Board to determine its preference for the following four proposed actions:

1. Take No Position on the SSP/CGP to the County Council;
2. Recommend the County Council Reject the Planning Board's Amended SSP/CGP and Instead Retain the Existing SSP/CGP;
3. Recommend the County Council Adopt the Planning Board's Amended SSP/CGP; or
4. Recommend the County Council Adopt the Planning Board's Amended SSP/CGP with certain specific changes.

Board Action and Next Steps

A consensus of the Board decided to take no position on the SSP. The Board discussed possible next steps including the submission of a letter to the County Council regarding the Board's decision. Ms. Larsen suggested that the Board could issue a statement about what MCEDC sees as the structural changes that are needed to impact economic growth. Mr. Brewer requested that a further discussion of next steps, if any, would be conducted at the October 5 Executive Committee meeting.

Adjournment

The meeting was adjourned at 1:02 pm.

**MCEDC Board Meeting Attendees
October 1, 2020**

Via Zoom

1. Brandon Bedford, MCEDC
2. Tina Benjamin, Montgomery County Government
3. Kevin Beverly, Social & Scientific Systems
4. Robby Brewer, Lerch, Early & Brewer
5. Laurie Edberg, Montgomery County Government
6. Elana Fine, VWG Wealth Management
7. Councilmember Andrew Friedson, Montgomery County Council
8. Jerome Fletcher, Montgomery County Government
9. Terry Forde, Adventist Healthcare
10. Angela Graham, Quality Biological
11. Cindy Gibson, Montgomery County Council
12. Stacey Hardy, MCEDC
13. Leonard Howie, WorkSource Montgomery
14. Carmen Larsen, Aquas Inc.
15. Matthew Lee, FASTech, Inc.
16. Carla Merritt, Maryland Department of Commerce
17. Sarah Miller, MCEDC
18. Kristin O'Keefe, MCEDC
19. Sanjay Rai, Montgomery College
20. Ola Sage, CyberRx
21. Brad Stewart, MCEDC
22. Benjamin Wu, MCEDC