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November 17, 2025

Via Email –

Ms. Kate Stewart

And Members of the County Council

Montgomery County Council Office Building
100 Maryland Avenue

Rockville, Maryland 20850

Re: November 18th, 2025, Council Public Hearing, Resolution to approve Special Appropriations to the FY26 Operating Budget, Montgomery County Government: Economic Development Fund, \$500,000 (Source of Funds: General Fund Undesignated Reserves); Selzer Gurvitch's Testimony in Support for additional MOVE Grant funding

Dear Council President Stewart and Councilmembers:

Please accept these written comments in support of the Special Appropriation to the FY26 Operating Budget for additional funding in the Economic Development Fund. More specifically, we support the supplemental funding of \$500,000 to the Make Office Vacancy Extinct (MOVE) Grant Program, and respectfully request that additional funding be provided in the current fiscal Operating Budget and/or for the upcoming FY27 Operating Budget to cover all of the eligible applications received by Montgomery County as of the date that the business community and general public were put on notice that FY26 funds were depleted.

During the past year, many businesses have made long-term financial decisions to enter into lease agreements to either re-locate to, or substantially expand their footprint in Montgomery County with the understanding that MOVE Grant funding would be available to help absorb a portion of their costs to occupy space in the County. Landlords have reinvested in office buildings to allow for such tenants to occupy space to the benefit of the County's commercial tax base. It is critical that Montgomery County support businesses that have submitted qualifying applications for MOVE Grants. As noted in the Development Pipeline Analysis 2025 Report transmitted to the County Council by the Montgomery County Planning Department, a number of interviewees cited to a "lack of job growth in Montgomery County relative to competitive regional jurisdictions," and that "expectations for tepid economic growth lead to higher capitalization rates and lower yield spreads in Montgomery County compared to Northern Virginia." See Development Pipeline Analysis 2025, p. 9. In this respect, it is critical that Montgomery County follow through on

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incentives like the MOVE Grant program that help to foster job growth for the benefit of both the commercial and residential markets.

Given the slowdown in new commercial construction (office, retail and multi-family buildings), it is critical that Montgomery County do more to enhance the viability of existing office buildings. The refinements made to the MOVE Grant program over the past year represent one of the few concrete policies that has effectively generated meaningful reinvestment in office buildings in Montgomery County. If Montgomery County desires to grow its commercial tax base, it must reinvest in the MOVE Grant program by allocating additional funding for both the FY26 and FY27 Operating Budgets. Increasing the amount of funding for the MOVE Grant program will send a positive message to both commercial property owners and businesses seeking to occupy space that Montgomery County values job retention and growth, which will also help to alleviate one of the major constraints to producing much needed housing stock.

We thank you for your time and consideration reviewing these written comments and respectfully request that the County Council increase the special appropriation for the MOVE Grant program as part of the FY26 Operating Budget and subsequent Operating Budgets.

Very truly yours,

Selzer Gurvitch Rabin Wertheimer & Polott, P.C.

Matthew M. Gordon

By:

Matthew M. Gordon

cc: Mr. Ken Hartman-Espada, Assistant CAO