

Climate Assessment

Office of Legislative Oversight

Bill 11-24: Finance – Economic Development Fund – Make Office Vacancy Extinct (MOVE) Grant Program - Established

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Bill 11-24 will have no impact on the County's contribution to addressing climate change as it is proposing changes to an existing County program that provides relocation grants for businesses operating in the County.

BACKGROUND AND PURPOSE OF BILL 11-24

The Make Office Vacancy Extinct (MOVE) program was introduced as a pilot program in March 2014. The program aims to decrease office vacancies by providing relocation grants that alleviate costs for businesses moving to the County. Through the MOVE program, businesses can receive a grant of \$8 per square foot, which is capped at \$80,000 for businesses that lease up to 20,000 square feet of office space. From FY14 through FY23, the MOVE program disbursed over five million dollars to 85 businesses for new office space.¹

As of 2024, office vacancy rates in the County are at a record high – over 20%.² Bill 11-24 is intended to decrease office vacancies by proposing the following changes to the MOVE program:

- Codify the MOVE program under the Economic Development Fund;
- Expand program eligibility to businesses already located in the County that want to increase their office space;
- Remove the 20,000 square footage cap for renting office space to qualify for the program; and
- Increase the maximum funding award to qualifying businesses from \$80,000 to \$150,000.³

The County Executive would be required to adopt method 1 regulations to implement the MOVE program.⁴ The Department of Finance would also be required to provide an annual report on the program.⁵

Bill 11-24, Finance – Economic Development Fund – Make Office Vacancy Extinct (MOVE) Grant Program – Established was introduced by the County Council on April 16, 2024.

ANTICIPATED IMPACTS

As the bill proposes changes to an existing County program that provides relocation grants to businesses operating in the County, OLO anticipates Bill 11-24 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 Bill 11-24 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 [Memo from the County Executive included in the Bill Introduction Packet](#), November 23, 2023.

² [Memo from the Economic Development Committee included in the Bill Introduction Packet](#), April 10, 2024.

³ [Bill 11-24 Introduction Packet](#), Montgomery County Council, April 16, 2024.

⁴ [Bill 11-24 included in the Bill Introduction Packet](#), April 16, 2024.

⁵ Ibid.

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