



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject FY14-FY15 Economic Development Strategic Plan	Number 7-13
Originating Department Economic Development	Effective Date

Montgomery County Regulation on:

FY14-FY15 Economic Development Strategic Plan

Department of Economic Development

Issued By: County Executive

Regulation Number: 7-13

Authority: Montgomery County Code, Section 20-76B

Council Review: Method I Under Code Section 2A-15

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Sunset Date: June 30, 2015

Effective Date:

SUMMARY:

The regulation provides generally for the framework for the FY14 and FY15 ECONOMIC DEVELOPMENT STRATEGIC PLAN for Montgomery County, MD.

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BACKGROUND INFORMATION:

The ECONOMIC DEVELOPMENT STRATEGIC PLAN has been created to establish Montgomery County as a globally competitive, highly diversified knowledge-based economy that encourages company retention and growth, new job creation and new company formation. The purpose of this strategic plan is to advance ECONOMIC DEVELOPMENT within the County.



MONTGOMERY COUNTY EXECUTIVE REGULATION

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Section 1. AUTHORITY.

In accordance with the procedures authorized in Section 20-76 of the Montgomery County Code 1994, as amended, the following Executive Regulation establishes the ECONOMIC DEVELOPMENT STRATEGIC PLAN for Montgomery County, MD during FY14 and FY15.

Section 2. DEFINITIONS.

BIN: Business Innovation Network

DED: Department of Economic Development

EDF: Economic Development Fund

FastTrac: A national entrepreneur learning program, with a local affiliation with Montgomery College

INNoVATE: A program that provides applied training for post-doctoral fellows, research scientists, and other professionals who want to start life science-based companies

LSBRP: Local Small Business Reserve Program

MCPS: Montgomery County Public Schools

SBIR/STTR: Small Business Innovation Research/Small Business Technology Transfer

SBTDC: Maryland Small Business & Technology Development Center

SMALL BUSINESS NAVIGATOR: A position within DED designed to help small businesses navigate County government, including regulations, licensing, permitting and procurement

STRATEGIC ACCOUNT COMPANY: A company, which, because of its size, lease expiration, rate of growth, recognition through awards, and/or because it is a recipient of County funds/services (EDF award, BIN graduate) is considered to be strategic

Section 3. This ECONOMIC DEVELOPMENT STRATEGIC PLAN is based on six programs of work, which have been identified as priorities for sustainable economic growth in Montgomery County. The economic development efforts of the County will focus on: 1) Company Retention, 2) Company Growth, 3) the development of Strategic Industry Sectors, 4) the expansion of Minority, Women, Disadvantaged and



MONTGOMERY COUNTY EXECUTIVE REGULATION

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Veteran Owned Businesses, 5) Entrepreneurship, and 6) Marketing. The County will measure the effectiveness of these efforts by tracking the outcomes listed in Section 5. The fiscal year (FY14-FY15) outcomes will provide the baseline for evaluating economic development efforts in future years (FY16-19), and will compare Montgomery County to peer jurisdictions, Maryland and the nation.

Section 4. During FY 14 and FY15, the County will perform the following tasks based on the six categories listed in Section 3:

(A) THE COUNTY WILL RETAIN EXISTING BUSINESSES BY:

- 1) Developing relationships with, and visiting, 200 Strategic Account Companies annually
- 2) Visiting C-levels of 200 accounts annually
- 3) Maintaining a comprehensive database of County companies
- 4) Increasing membership in business organizations to create stickier networking centers, a stronger voice for business interests, and increased opportunities to stay abreast of best practices
- 5) Developing and implementing a business appreciation program, which will recognize 250 companies annually
- 6) Communicating regularly with the local business community by producing weekly e-publications that showcase the County's companies
- 7) Monitoring and influencing Federal leasing requirements in order to retain all existing Federal locations in the County

(B) THE COUNTY WILL INCREASE CAPITAL INVESTMENT, JOB GROWTH, AND NET NEW COMMERCIAL SPACE IN THE COUNTY BY:

- 1) Hosting 5 CEO Roundtables annually, which will identify roadblocks to company growth and inform a priority list of relevant solutions
- 2) Increase the activities of the EDF's existing Small Business Revolving Loan Fund.
- 3) Implementing DED's newly approved equity investment program



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject FY14-FY15 Economic Development Strategic Plan	Number 7-13
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- 4) Working with community banks to lend local businesses at least double the amount of the County's deposits in those banks
- 5) Increasing the amount of Foreign Direct Investment (FDI) in local businesses each year by:
 - a. leveraging state and federal programs to help Montgomery County companies penetrate foreign markets;
 - b. ensuring that Montgomery County's private sector companies participate in each overseas mission (the State is planning a Brazil mission in 4Q 2013; Montgomery County is planning a China trip in 3Q 2013); and
 - c. continuing the Global Trade Speakers Series with partners at Montgomery County Community College and Johns Hopkins University, and increasing participation by 10% annually from FY13's participation level of 100 attendees.
- 6) Monitoring local and state legislation to assure support for a healthy, robust economy
- 7) Collaborating with County agencies (planning, permitting) to streamline strategic economic development projects and shorten the approval time for projects
- 8) Administering and promoting the use of existing and newly approved Enterprise Zones (EZ) to spur economic activity.
- 9) Increasing the use of Transfer Development Rights and the Building Lot Termination program to increase the County's farmland preservation efforts, and finding other funding to augment County Preservation funds
- 10) Supporting the growth of a sustainable workforce by aligning the workforce programs with industry needs, as outlined in the Workforce Investment Board's Strategic Plan, and increasing the number of businesses and job seekers receiving workforce assistance.

C) THE COUNTY WILL DEVELOP ROBUST STRATEGIC INDUSTRY CLUSTERS AND GUIDE GROWTH IN THE COUNTY USING SMART GROWTH PRINCIPLES:

- 1) Completing at least seven strategic industry profiles and action plans about Lifesciences, Cybersecurity, Health IT, Federal Contracting, General IT, Green/Clean Technology and Agriculture, which include:
 - a) developing plans to address deficiencies in each strategic cluster;
 - b) providing workforce services for specific sectors; and
 - c) developing targeted outreach plans (marketing, websites, etc.)
- 2) Supporting the development of the County's technology parks, (e.g., Life Sciences Center,



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject FY14-FY15 Economic Development Strategic Plan	Number 7-13
Originating Department Economic Development	Effective Date

Montgomery College-Germantown), including advocating for the White Oak Science Gateway Master plan that will speed the development of LifeSci Village in East County (Site II).

- 3) Promoting development projects based on smart growth principles, e.g., Wheaton, White Flint, and other transit-oriented areas with existing infrastructure.
- 4) Supporting the Federally Funded Research and Development Center at the National Cybersecurity Center of Excellence
- 5) Securing land-use approvals for a structured parking garage at the conference center site
- 6) Identifying under-utilized and vacant County-owned properties that have near-term private sector residential and mixed-used development potential
- 7) Identifying private sector partners to join with the County in developing public amenity projects, e.g., sports facility, art venue, etc.

(D) THE COUNTY WILL INCREASE THE NUMBER OF SUCCESSFUL MINORITY, WOMEN AND DISADVANTAGED BUSINESSES AND VETERAN-OWNED COMPANIES IN THE COUNTY BY:

- 1) Increasing services to small, minority and women businesses and veteran-owned companies through enhanced collaboration and, when necessary, program grants to partner organizations, (e.g., Latino Economic Development Corporation, Hispanic Chamber of Montgomery County, SBTDC, Montgomery Women's Business Center, etc.), and working with these partners to achieve maximum effectiveness for their clients.
- 2) Increasing membership in minority and women business organizations by promoting their events, encouraging membership
- 3) Assisting small non-profits in coalescing as a sector and increasing their business acumen; developing training programs specific to the non-profit community
- 4) Increasing local business participation in the Local Small Business Reserve Program, increasing the value of procurements awarded through the program annually, and expanding the program to include MCPS, Montgomery College and local large business procurement needs
- 5) Working intensively with a small number of minority businesses in a year-long mentorship program, and graduate 15 businesses from the program annually.
- 6) Establishing the Montgomery County Small Business Awards event as a premier showcase of the County's small businesses, and increase the number of submissions by 25%, and the



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject FY14-FY15 Economic Development Strategic Plan	Number 7-13
Originating Department Economic Development	Effective Date

- number of attendees by 20% from the FY13 levels of 62 nominations and 317 attendees.
- 7) Reaching out to the small business community through participation at local tradeshows, conferences, and other business events
 - 8) Resolving or identifying solutions for 75% of small business' issues brought to the Small Business Navigator within 30 days
 - 9) Increasing the number of people reached through DED and partner technical assistance events and training sessions
 - 10) Participating annually in 24 tradeshows, conferences, etc. with a DED booth on available services; add 500 names to the mailing list each year

(E) THE COUNTY WILL IMPROVE THE CLIMATE FOR ENTREPRENEURSHIP BY:

- 1) Completing the Business Innovation Network ("BIN") study and implementing the recommendations to reposition the County's incubator network as the premier national network for high technology companies
- 2) Continuing to improve efficiency and effectiveness of the BIN's current operations in order to:
 - a) increase graduation rates and company retention;
 - b) develop BIN programs specific to the sectors and life cycle stages of the incubator companies, and
 - c) increase attendance at BIN programs by 25% from the current average of 15 per event.
- 3) Analyzing the history of companies 5 years post graduation; determining any trends/issues which would suggest changes to the program
- 4) Partnering with BioHealth Innovation (BHI) to:
 - a) increase the number of start-up companies receiving technology licenses from Maryland's federal and academic laboratories that can be commercialized;
 - b) increase the win rate on Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) grants for Montgomery County companies;
 - c) provide an increased level of review for early stage lifesciences and health IT companies, including assistance in pitch preparation to access funding



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject FY14-FY15 Economic Development Strategic Plan	Number 7-13
Originating Department Economic Development	Effective Date

- 5) Supporting entrepreneurial training programs, e.g., FastTrac, INNoVATE, etc., and target 40 participants each year
- 6) Supporting technology transfer through:
 - a) continuing the Technology Transfer Speakers Series;
 - b) continuing the annual I2C (Innovation to Commercialization) Conference; and
 - c) drawing 10% more attendees to the Speaker Series and 25% more to the conference from the FY13 levels of 475 participants at the Speaker Series and 146 at the I2C conference.
- 7) Increasing the number of entrepreneurial events sponsored by Montgomery County and its partners, (e.g., meet-ups, pitch contests, hackathons, etc)
- 8) Identify a partner, and funding, for a national life sciences start-up competition

(F) THE COUNTY WILL STRENGTHEN ITS MARKETING CAMPAIGN BY:

- 1) Maintaining an interactive web site that speaks to the needs of DED's various constituents, including the incorporation of the BIN, T2 websites and agribusiness, and doubling the number of unique visitors to DED's website annually, which was 24,715 in FY13
- 2) Communicating with a weekly e-blast to a growing electronic address list on topics of relevance to the business community
- 3) Generating earned media placements including six feature stories a year in local media, four in regional media and one in national media.
- 4) Developing marketing materials relevant to DED's various clients, e.g., farmers markets, start-ups, developers, attraction prospects, global trade interests, etc.
- 5) Develop marketing materials relevant to DED's general audience
- 6) Recognizing companies that win awards (Fast 500, Best Place to Work, Women Who Mean Business, etc.), achieve major milestones (new contract, merger, acquisition, etc.), move into the county, renew a significant lease, etc.
- 7) Developing and managing an on-line calendar that is the "go-to" address for regional business activities, which will include 25 new partner accounts annually and at least 150 future events at any time



MONTGOMERY COUNTY EXECUTIVE REGULATION

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Subject FY14-FY15 Economic Development Strategic Plan	Number 7-13
Originating Department Economic Development	Effective Date

- 8) Developing and implementing a social media strategy by DED staff
- 9) Transforming the DED lobby into a marketing center promoting the County's business community and DED's programs
- 10) Increasing participation in the annual Farm Tour and Harvest Sale.

Section 5. The County will evaluate the effectiveness of its economic development efforts by collecting and analyzing certain performance measures annually. FY14-15 data will serve as the baseline for future analyses. FY16-FY19 data will include those analyses comparing Montgomery County to peer jurisdictions, Maryland and the nation, where practical.

The Department of Economic Development's current performance measures, by division, as reported through County Stat are:

Marketing & Business Development, Special Projects & Minority Business Empowerment

- Jobs created by existing business expansions through DED involvement
- Jobs created by new business attraction through DED involvement (by Industry)
- Jobs Retained (location decision, lease renewals)
- Total new capital investment by business expansions DED involvement (in millions)
- Total new capital investment by new business attractions and start-ups through DED involvement (in millions)
- Net new commercial space occupied by businesses currently located in the County through DED involvement (sq. feet)
- Net new commercial space occupied by newly attracted and start-up businesses through DED involvement (sq. feet)
- Number of companies that received Business Assistance (permits, zoning, B2B, introductions, land-use, etc.)
- Number of companies that received international/export business assistance
- Number of employees at companies affected by DED business assistance
- Number of Business Assistance engagements (each company may be assisted multiple times)
- Number of Technical Assistance Events and Training Sessions organized by DED
- Number of Participants in Tech Assistance Events and Training Sessions
- Percent of participants satisfied with DED sponsored technical assistance and training programs
- Number of events/tradeshows where DED actively marketed the county
- Number foreign delegations hosted by DED

Business Innovation Network



MONTGOMERY COUNTY EXECUTIVE REGULATION

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Subject FY14-FY15 Economic Development Strategic Plan	Number 7-13
Originating Department Economic Development	Effective Date

- Occupancy rate of incubator facilities (Lowest, Average & Highest)
- Number of new jobs created by incubator tenant companies post-graduation
- Amount of federal research grant funding received by incubator companies (in millions)
- Amount of equity financing received by incubator companies (in millions)

Workforce

- Number of job seekers placed in jobs
- Number of unique businesses served
- Number of employer recruitments
- Number of job fairs

Agricultural Services

- Acres of land under easements inspected

Finance

- Number of EDF Transactions

In addition to the existing performance measures listed above, DED will also track the following measures in FY14-15.

- Commercial vacancy rate of Montgomery County
- Commercial vacancy rate at Shady Grove Life Sciences Center
- Number of existing (or start-up) target industry companies assisted by DED.
- The number of retained jobs and net new jobs in target industries assisted by DED
- The value of loans made to local small businesses through local community banks.
- Amount of contracts let under LSBRP
- Number of people reached through DED/partner technical assistance events and training
- Number of participants in entrepreneurial training programs
- Percentage of BIN graduates in Montgomery County one year after graduation
- Percentage of BIN graduates in Montgomery County five years after graduation
- Number of companies receiving international assistance from DED
- The value of exports by Montgomery County companies
- The amount of Foreign Direct Investments
- Amount of venture capital/angel investments in Montgomery County businesses
- SBIR/STTR win rate



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject FY14-FY15 Economic Development Strategic Plan	Number 7-13
Originating Department Economic Development	Effective Date

- Number of companies based on licenses from local labs
- Number of unique visitors to the website each year

Section 6. EFFECTIVE DATE.

This Executive Regulation takes effect upon approval by the County Council.

Isiah Leggett
County Executive

Approved as to form and legality:



John J. Fisher
Associate County Attorney

Date 9/30/13