



NEWS

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Montgomery County Expands “One Stop Shop” Approach to Economic Development

Launches New One-of-a-Kind “Montgomery County to Business / MC2B” Initiative

Norristown, PA (April 24, 2014) – The Montgomery County Commissioners sealed the deal to create a one-of-a-kind program, expanding the County’s innovative “one stop shop” approach to economic development. Dubbed the “MC2B” initiative, the partnership offers local businesses a single place in which to obtain and access a full range of business products and services.

This morning, the membership of the Montgomery County Economic Development Corporation (MCEDC) approved a plan to transfer its economic development programs to the Montgomery County Development Corporation (MCDC). This announcement represents the culmination of an 18-month process to restructure and streamline the Commerce Department and establish new programs to serve the county’s business community. The newly reconstituted MCDC will now be part of the Commerce Department program infrastructure, utilizing shared financial and operational resources to deliver financial programs, workforce development initiatives, and youth programs throughout the county. This unique partnership between Montgomery County, the MCDC, and the other independent authorities operating in the county establishes the Commerce Department as one of the broadest, deepest organizations of its kind in the Commonwealth.

“For years, our county has struggled to establish a single source of economic development and workforce solutions for the business community,” explained Josh Shapiro, Chairman of the Board of Montgomery County Commissioners. “Now, we have broken down these silos and created a ‘win-win’ for businesses and residents by assembling in one place all of the tools needed to make that happen.”

With the completion of the transaction, the County launched the “MC2B” initiative –Montgomery County (MC) is focused on serving Business (B). The approach draws directly from the experience of companies that provide business-to-business (B2B) products or services. The B2B model succeeds when businesses develop cost effective and highly valued products and services – and success in B2B often comes when businesses learn from each other and respond to changing market conditions together.

Since 2012, the county has redesigned the organizational, financial, and governance infrastructure required to support this vision. In the initial stages, the commissioners restructured five discrete programs from three different departments into a single Commerce Department, with staff working to develop a unified organizational structure, strategy, financial controls, and performance metrics. The organization was refocused to center on business solutions, looking outward to refine the value proposition for county services.

“The MCEDC and the county have not historically worked together in a coordinated fashion,” explained Richard Young, Chairman of the MCEDC. “Being aware of the Department of Commerce initiative, we met with county representatives to investigate opportunities for cooperation and were impressed with the high level of energy that the County has put into the new Commerce Department and its scope of operations. Our Board then determined that the best way to ensure the continuity and sustainability of our programs and to secure significant benefits for our members and the corporate community in general was to develop this private-public partnership with the county. The result is a successor membership organization which will play a key role in this consolidated effort.”

The MCEDC was established in 1964 as one of several Industrial Development Corporations (IDCs) certified by the state to administer the Pennsylvania Industrial Development Authority (PIDA) financing program administered by the Commonwealth’s Department of Community and Economic Development (DCED) and business development initiatives spearheaded by the Governor’s Action Team (GAT). Local business leaders and real estate firms from the County founded the MCEDC in the 1960s in accordance with the Commonwealth’s guidelines, which are designed to ensure private sector participation and oversight. By integrating the staff, membership, assets and programs of the MCEDC, the business community will be able to more directly participate in the outcomes of the Commerce Department.

“This is the first time that our county government has been able to effectively and transparently bridge the divide between the Industrial Development Corporation and County economic development efforts,” according to Commissioner Shapiro. “Montgomery County now has one vision, one brand, and one entry point for businesses to access vital resources. We appreciate the assistance from Governor Tom Corbett and the staff at the Pennsylvania Department of Community and Economic Development (DCED) for their help to get this done.”

The transaction ensures the continuation of critical MCEDC programs. David Niles, the Executive Director of the MCEDC, will become the Executive Director of the new MCDC and all of the existing members of the MCEDC will be offered membership in the reconstituted MCDC. All of the existing staff will transition with Niles to the new operations by the beginning of May. Funding for operations initially will come from the MCEDC, and the operations will not add to County’s expenses or add liabilities to the County’s balance sheet.

Today’s vote also allocated a portion of the MCEDC assets to the Montgomery County Community College Foundation.

“We applaud the commitment of the county and the MCEDC to combine forces and work to strengthen the local economy,” said MCCC President Karen A. Stout. “The MCEDC’s financial commitment to the Community College Foundation will be used for an endowment to enhance the economic vitality, diversity, and economic development of the County by supporting the creation and retention of jobs, and educating and training citizens for the jobs of today and tomorrow.”

“These are all essential programs,” noted Montgomery County Board of Commissioners Vice Chair, Leslie Richards. “The close alignment of the county’s operations, the Community College, and the MCEDC operations represents an ideal framework for economic development.”

“When we work together, irrespective of party or commercial interests, to maximize benefits for the private sector, we are demonstrating how government works best,” added Commissioner Bruce Castor.

Significant work has gone into building the needed legal and operational components required to absorb these essential programs and ensure their continuity. “In order to accomplish this transformation, the MCDC will be converted into an independent not-for-profit corporation, with

governance shared between the county and the private sector,” explained Dr. Brian Regli, Director of Commerce for Montgomery County. “The majority of the Board will come directly from the membership of the MCEDC and the new members recruited to the organization.”

The new operational design is consistent with the commissioners’ overall approach to streamlining outreach and service delivery to businesses and residents. This approach is reflected in the county’s innovative Community Connections Program, designed to facilitate a citizen’s pathway through myriad, often confusing and overlapping State and Federal assistance programs.

MC2B is borne of the same governing approach. For businesses, there will be single recruitment team focused on reaching out to existing businesses to help them grow, as well as attracting new businesses to the county. There is also a low-interest loan program, “Montco Opportunity Loan Program,” designed to help businesses expand in Montgomery County and create new jobs. The county will also leverage on-the-job training programs to help maximize job placement through the PA CareerLink® Montgomery County and Montgomery County Community College.

Any company interested in learning more about Montgomery County’s Commerce Department and the range of financing and workforce investment programs available can reach out through the County’s website. A single web form is all it takes to get the process started: www.montcopa.org/MC2B. Members of the businesses community are also invited to call the County’s toll free number: 844-2MONTCO.