



GSSCC Candidate Questionnaire **Montgomery County Executive**

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Elected Office You are Seeking: County Executive
Legislative District: N/A
Number of Years Lived in that District: _____
Party Affiliation: Democrat
Relevant Non-governmental Professional Experience/Positions Held:

I was Chief Executive Officer of Catalyst Health Solutions, a Fortune 500 company with annual revenues in excess of \$5 billion. I served as CEO from its formation in 1999 until its sale in 2012. In twelve and a half years as a publicly-traded company, Catalyst Health Solutions experienced exceptional growth and consistent financial performance. By 2012, Catalyst Health Solutions was listed as a Fortune 500 Company with run-rate revenue of over \$6 billion. Catalyst was recognized five times as one of Fortune's 100 Fastest Growing Publicly Traded Companies with an annual budget in excess of \$5 billion. Additionally, the Company was listed among Fortune's "World's Most Admired Companies" multiple times because of the value of its products and services, as well as the benefits it offered its employees. For example, the company offered employees a unique car program whereby the company would pay for half of the monthly cost if an employee purchased an American car or truck. The Company had thousands of employees in 30 states. Key qualities I learned while being CEO included; a deep sense of accountability, first-class customer service, recruitment and retention of talented leadership, compensation strategies, financial discipline, procurement, technology, and leadership. As the leader of my company, my approach was to be inclusive, collaborative and transparent – I recognize that I do not have all the answers and it's imperative to surround ourselves with leaders in their respective fields.

1. **GSSCC believes that a thriving business community brings prosperity for all of our citizens by increasing the number of good private sector jobs and expanding the tax base to support necessary public services.**
 - **Please list all the initiatives/legislation you have supported/or would support to foster the growth of existing businesses and encourage new business creation.**
 - **Please describe your plan for increasing the tax base – rather than tax rates – in the County.**
 - **What is your plan for making Montgomery County more attractive to businesses looking to expand or relocate (i.e. increased tax incentives, subsidies, streamlining the development approval process)?**

I released a full plan laying out my vision for making Montgomery County the New Business Capital of the East Coast. Some of the highlights from the plan focus on:

- Innovation and cultivating talent by supporting entrepreneurial education, focusing on talent recruitment and connecting the community, businesses, county government, and investors to make owning a business in Montgomery County easier
- Reprioritizing our economic development and marketing efforts

- Building a strong business outreach and retention program that includes seeking out incubators, maintaining our local small business reserve program, supporting a buy local program, and expanding our micro loan program to assist minority and immigrant owned businesses
- Re-engineering our procurement process and providing a comprehensive debrief session when our companies do not win capital improvement bids, so that they have every opportunity to win next time
- Lowering commercial vacancy rates by filling and repurposing empty office spaces
- Supporting our educational system and collaborating with MCPS and with Universities at Shady Grove and Montgomery College to ensure our students are career ready
- Soliciting feedback from our business owners, realtors, developers, stakeholders, and community leaders.

Right now, we are not adding enough jobs to support our population growth. Adding more jobs will expand our tax base and produce new revenue to fund our priorities.

2. Montgomery County leaders have continued to approve increases in the County's operating budget that require spending at levels exceeding private sector growth. GSSCC believes the County government needs to do a better job of living within its means. This is even more important given the recent announcement of a \$120 million revenue shortfall for the current fiscal year.

- **Did you or would you have supported the 2016 property tax increase?**

I believe the 2016 property tax hike was excessive. An over-reliance on property taxes has contributed to a lack of affordable housing in this community -- we must expand the tax base through economic growth and new jobs. These tax hikes were imposed because our county officials have failed to foster job and economic growth. We cannot continue to increase taxes to fund our programs and I would not support new taxes moving forward.

- **Did you or would you have supported the 2016 recordation tax increase?**

Montgomery County real estate is overtaxed. These taxes, including the recordation tax, were imposed because our county officials have failed to foster economic and job growth to keep up with our growing population. Over the past 15 years, Montgomery County has created fewer than 4,000 private sector jobs, while our population has grown by 150,000. This equates to 1 job for every 38 residents. We can't continue to increase real estate taxes to fund programs and services to compensate for our economic shortcomings. I'll oppose tax increases of any kind.

As County Executive, I'll review any policy that could negatively impact housing affordability. I'll seek savings opportunities in our budget and grow and diversify our revenue base through job creation, so we will have funds to phase-out the recordation tax over time.

- **Did you or would you have supported the eventual phase out of the County's exorbitant energy tax?**

The energy tax only adds to the already high cost of doing business in Montgomery County and is a barrier we must work to reduce. As County Executive, I'll look to lower the energy tax surcharge, initially intended to be temporary and sunset after two years, with the goal of getting back to fiscal year 2010 energy rates, as our tax base grows. The current energy rate is especially costly for our local small businesses, especially our technology-driven and data-intensive businesses and hinders our ability to achieve economic goals.

Its purpose was initially to incentivize a reduction in energy usage, but it only caused these data-intensive businesses to move to another county. While the intention may have been to curb emissions relating to energy usage, it is not working. These companies are just moving outside our county to continue high energy usage and Montgomery County loses business.

- **Other than raising taxes, what ideas do you have for creating an economy that will meet the growing needs of county residents?**

We can create more jobs here in Montgomery County, so that hundreds of thousands of residents are not forced to commute to work outside the county each day. We need to cultivate existing businesses better and examine barriers that hinder growth to make Montgomery County more business friendly. Smarter procurement and contracting more with local businesses will create jobs here and strengthen our economy.

Please see my comprehensive Jobs and Economic Growth Plan at <https://blairformontgomery.com/>

- **Would you support consolidation of some County Government functions in order to reduce costs? If so, please describe which programs or services you would recommend be consolidated, reduced, or eliminated.**
- **Other comments:**

I will identify savings between the budget lines and eliminate redundancy and excess. I would do a deep dive looking at all areas of the budget for savings that when you add up could save tens of millions of dollars. An example of savings we could get would be using smaller passenger vans instead of buses on routes where ridership is low to save money and reduce greenhouse gas emissions. I'll undertake a comprehensive assessment of our available resources from land, space and zoning to business costs and talent. I want to know what resources we have too much of and what resources we need more of. It's time to clean house and eliminate or rework the policies and programs that no longer suit our needs and divert those resources to policies and programs that will meet our needs today and in the future.

3. **In recent years, our members have faced an increasing number of federal, state, and expanded local regulations that directly impact their ability to remain viable.**
- **Did you or would you have supported the additional increase to the Montgomery County minimum wage to \$15 by 2020?**

The minimum wage is something I believe should be set at the state level. I will work to push our minimum wage increase statewide and in neighboring localities, so our businesses can stay competitive in the region. However, a \$15 minimum wage is still well below a livable wage, and nowhere near enough for working parents to raise kids in Montgomery County. My top priorities include developing economic policies that create better paying jobs and closing the achievement gap to increase income for all. We should ensure that all our high school graduates are college or career ready and that all residents have access to training that enables them to move beyond minimum wage. I will prioritize expanding workforce training, apprenticeship, and internship programs, so that Montgomery County residents can access multiple pathways into higher paying jobs. Affordable housing is out of reach for too many in Montgomery County and reducing inequality through higher wages will allow more workers to raise their families here.

- **Did you or would you have supported mandatory sick leave, even for part-time employees?**

Mandatory sick leave for employees is something I believe should be set at the state level. However, we've had a flu season like no other, causing deaths of many otherwise healthy adults and children. Mandatory sick leave is one way to combat the spread. Part-time employees without access to sick leave are more likely to show up for work sick or send their child to school sick. This not only puts more healthy people at risk for the flu, but it drives up medical costs and reduces productivity. If more employers offered sick leave, infections would go down. A study by a Cornell economist of flu rates in seven cities with paid sick leave laws found that rates of flu infection declined by as much as 20 percent. I will work to push this issue statewide and in neighboring localities, so our businesses can stay competitive in the region.

- **Do you support an employer's right to hire and schedule its employees according to its individual needs?**

As a CEO of a Fortune 500 company, I know the difficulty of hiring and retaining good talent. I also know the reality of having to run a successful business that sometimes requires scheduling changes. As County Executive, I'll lead by example and promote fair scheduling and management practices and encourage all local businesses to do the same. I support the right of an employee to request a good faith estimate of an employee's weekly or monthly work schedule.

- **Do you support legislation that dictates minimum work hours or scheduling requirements?**

I believe it is important to provide employment contracts to ensure that both employees and employers understand the expectations for the term of employment so that disputes can be avoided. I support open communication regarding scheduling and minimum work hours.

- **What policy ideas do you have to enhance the success of our member job-creators?**
- **Other comments:**

We've got to focus more on retaining the businesses we've got. In my 14 years running a public company in Rockville, no one from the county ever reached out to us. This must change.

As County Executive, I'll create a comprehensive Business Retention and Expansion (BRE) program, building on programs and services we currently offer, but also identifying best practices that would make our program among the best in the nation. I'll also cut red tape and reduce barriers that make it harder for businesses to open and operate without compromising public safety. Delays and burdensome paperwork postpone businesses from generating revenue and creating jobs and creates added expense. While we provide a lot of good programs and services, many are underutilized, especially within the immigrant community. As County Executive, I'll provide needed outreach to ensure all our businesses have access to services available. As revenues allow, I'll work to reduce our energy tax surcharge that only adds to the high cost of doing business in Montgomery County.

As a CEO, my company was awarded business from dozens and dozens of state and local governments. I've seen good procurement and I've seen bad procurement. We need to be redirecting more money back into our local economy. As County Executive, I'll develop a procurement process that promotes our businesses to steer more county dollars to our own.

4. Prior to considering any legislation, the County Council seeks a Fiscal Impact Statement to determine the impact of that legislation on the County's budget.

- **Would you support a law that requires the same kind of analysis to determine the fiscal economic impact on businesses and non-profits, prior to consideration and enactment of any new law or regulation?**

Yes, I would support this. To run a business, you need transparency from your government officials in order to properly prepare for the future.

- **Would you require that this analysis include interviews and discussions with actual business owners?**
- **Why or why not?**

Yes. A common theme I have been hearing as I talk to business owners, stakeholders, and community leaders is that they feel they are not being heard. As County Executive, I will make sure that the decision

makers and business leaders continue to have a voice and hold transparent discussions on issues like regulations.

- 5. Many of our small- and medium-sized business members feel that the policies adopted most recently by County government reflect a lack of appreciation for the contributions they make to our community. Please describe your understanding of the difference between the challenges faced by large multinational companies and small locally owned/operated businesses. Provide three specific examples of how you will support small businesses and ensure opportunities for them to grow and expand.**

Building a small business in a single office to a Fortune 500 company in Rockville, I developed a deep sense of accountability and an understanding of our fiduciary responsibility. I was acutely aware of the challenges and opportunities of doing business in Montgomery County, while also learning best economic development practices in the other 30 states where our company had facilities. Recently, my wife Mikel and I opened a small business called Badlands Playspace in Rockville, which is an innovative new education center where Montgomery County families can bring their children to play and learn.

I'm entrepreneurial at heart, but what's required to lead a successful business – to create jobs, to make it profitable – I learned through hands-on experience as part of a locally-owned large company and small business. It's this unique perspective that makes me an ideal candidate for County Executive.

To support small businesses, I'll reengineer our procurement process to make it easier for local and minority, women and disabled-owned businesses to compete for county work. I'll also embark on a major buy-local initiative. I'll work with local growers and food producers to identify opportunities to provide more processing facilities here, so they don't have to send their products to facilities outside the County. And I'll conduct an aggressive marketing campaign to encourage businesses to also procure more goods and services from businesses in the County. Des Moines, Iowa embarked on a similar initiative and discovered shifting 5% of spending to local businesses and vendors it could generate more than \$1 billion in economic benefit and generate as many as 6,500 jobs. If they can do it, so can we.

We've got to change the business culture in Montgomery County to a "culture of yes" – we've made good progress the past few years, but we've got a long way to go. It starts with leadership and it's about putting customers first.

- 6. The Silver Spring Central Business District was envisioned to become a smart-growth live/work/play community. However, in recent years, Silver Spring has evolved into a primarily residential neighborhood (bedroom community), with virtually no commercial office development in the past 10 years. Local retailers and restaurants are feeling the brunt of having fewer and fewer customers during office hours. What will you do to address this and help bring more businesses back to Silver Spring?**

To address the challenges facing the commercial office market in Montgomery County, I will be more aggressive in lowering commercial vacancy rates and repurposing empty space. I have seen the strides made through the MOVE program and I'll immediately put a plan together to double the one-time grant amount from \$8 per square foot to \$16 per square foot, with clear performance standards in place to ensure taxpayer dollars are spent effectively and vacancy rates decline. In addition, I'll review county zoning laws to identify opportunities where we could repurpose empty commercial space for other purposes. I would also seek out incubators and accelerator programs that will give businesses room to grow in Montgomery County and make use of unused office space that is scattered throughout our county.

- 7. The Route 29 Corridor in Eastern Montgomery County has suffered from a lack of commercial and other development for many years. Traffic congestion has increased, and most of it is through traffic to the Beltway or downtown D.C. Few, if any new employment opportunities have been created to**

provide jobs that would take these cars off the road. What are you going to do to ensure economic development that brings new businesses to Silver Spring including downtown and the East County/Rt. 29 Corridor?

Along with my plans to seek out incubators and address the commercial office market, I will work to make Montgomery County more business friendly. I want to make it easier for entrepreneurs to enter new markets, hire qualified staff, pay their taxes and obtain needed permits without burdening them with unnecessary paperwork or bogging down their time with compliance. That's why I'll create a simple online, interactive mobile app that walks someone through all the necessary steps and makes starting a business in Montgomery County simpler and easier. We also need to do a better job of fostering a more collaborative environment between the startup community and corporations, county government and investors. Part of my job as County Executive will be to help attract new talent and provide the entrepreneurial community with guidance. Silver Spring is an easy sell for new business owners, with its vibrant community, proximity to public transit, and nightlife scene.

8. The Chamber supports a balanced approach to transportation policies that take into account the needs of our member businesses, their employees, their customers, and their vendors. That balance must accommodate those who use public transit, drive on our roads, travel by bicycle and on foot, and need sufficient parking options at their destination.

- **Please describe your approach to finding the right balance of transit, roads, parking, and other transportation options.**

We are not going to solve all our transportation needs by adding more lanes or roads. In the short-term, I support innovative technology solutions that will reduce travel times and emissions, like smart traffic lights. I firmly support bus rapid transit (BRT) and would make it free to incentivize public transportation use and get a better sense of ridership. I will support public transportation, safe bicycle use, and pedestrian accessibility programs because it will lead to a lower impact on our environment and infrastructure.

Long-term solutions include following through on our transportation Master Plans and creating new transit options for Clarksburg residents, who have been struggling with severe traffic due to the county's inability to follow through. For the future, we need to promote jobs and smart growth here in Montgomery County – to help ease traffic congestion and reduce the number of commuters going to Virginia or DC for work.

- **How will you assure the future success of the Metro?**

Yes, I do support dedicated funding for Metro. Montgomery County has some of the worst traffic in the nation. Too many of our residents leave the county each day for work and our economic growth depends on having an efficient and 21st Century transportation network. There are no easy solutions to our transportation challenges, but I will work with federal, state, and local partners to find new sources of revenue for Metro and prioritize expanding our tax base to allow more funding for a sustainable transportation system.

- **What will you do to address the needs and concerns of businesses that expect to be harmed financially during the construction of The Purple Line?**

To ensure that the Purple line will benefit the nearby community, the county must first and foremost have a proactive planning process that involves discussions between current development owners, new residential developers, housing trusts, stakeholders, government officials, and community members. I will support equitable transit-oriented development that will ensure long-term affordability and minimize displacement near these transit centers. As County Executive, I'll review our planning process to ensure development is done more strategically to lessen the burden on our infrastructure and schools along the Purple Line, and to ensure necessary concessions are made before new residential development begins. We must also have

inclusionary zoning ordinances and community discussions and agreements. I believe that we need to reinvest in these changing communities with increased affordable housing units, economic opportunities, and higher paying jobs.

9. What is your vision for the future of greater Silver Spring and Montgomery County over the next 5 years?

As a lifelong county resident, I've seen firsthand how this community has changed over the decades. We have tremendous assets in Montgomery County – excellent public schools and universities, a highly skilled workforce, and access to top research and development institutions. However, more and more, it is clear that our community is not living up to its potential: too many residents are struggling to get by under the effects of income disparity, racial inequality, a lack of affordable housing, and overcrowded schools. I believe that as a community, we have a moral obligation to measure ourselves from the bottom-up, not the top-down. We can't consider ourselves successful if we have pockets of poverty, racial segregation, homelessness and residents who don't know where their next meal is coming from. Montgomery County is the wealthiest county in Maryland, but we need a fresh approach to reduce inequality and reprioritize spending on education and economic development.

My vision for Montgomery County and Silver Spring is to create well-paying jobs, economic growth and expand our tax base. We will also prioritize closing the achievement gap by investing in our public schools and improving our infrastructure and reducing traffic.

10. If elected, how will you measure your success at the end of your term?

If elected, my success will be measured by a change in the business culture of Montgomery County that enables more money for our schools and social services. We've got to create a "culture of yes" and become more business friendly in order to create more jobs and grow our tax base.

If anyone thinks the County's economy is strong, consider this: We have some of the best public schools in the country, but the student population is also growing by about one high school per year (2500 students) and facing new challenges. Montgomery County has added only 4,000 net private sector jobs between 2001-2016. That's a change of 1.1%. Given the population increased by 150,000 over the same period, this equates to 1 job for every 38 people and not enough revenue to keep up with the challenges in our schools. We've got to do better. As County Executive, I'll ensure we live up to our greatest potential and won't settle for less.