



CITY OF TAKOMA PARK, MARYLAND

HB 313 Support

Ways and Means Committee

February 2019

HB 313: State Income and Property Tax Credits – Purple Line Construction

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We in the City of Takoma Park are very excited that the Purple Line is finally under construction, as it is critical to our long-term economic health. Of course, the temporary pains of construction can be difficult for small businesses that have to deal with the inevitable challenges and interruptions to their operations during the days, weeks, months, and years of construction. Takoma-Langley is a densely populated area with a business district that is a huge revenue generator to Montgomery County, Prince George’s County, and the State. There are real risks of displacing existing small businesses, regardless of how financially successful they are, and ultimately low- and middle-income residents in the area if policies and programs are not put into place to mitigate the negative impacts of construction.

In late 2018, the City provided testimony before the Montgomery County delegation in which we requested that members of the delegation “initiate or support legislation or create sources of funding to assist businesses likely to experience continuity of operations challenges and/or cash shortfalls resulting from Purple Line construction (and other infrastructure improvements).” So, we are very pleased that this bill was introduced.

For our part, the City Council of Takoma Park is currently considering strategies, as part of its Housing and Economic Development Strategic Plan, to prepare for economic development within the City and the region, to retain and attract businesses, and to ensure that there is a range of safe, quality, and stable housing options available for residents of varying incomes. In fact, we recently created and filled a new Economic Development Manager position to assist with

implementing the strategies the City Council develops. We expect that for the next few years at least, much of the incumbent's work will be focused on the opportunities and challenges presented by the Purple Line.

For these reasons, the City of Takoma Park strongly supports efforts by the State to provide financial assistance to businesses impacted by the construction of the Purple Line, which is the primary of HB 313.

In sum, the City of Takoma Park strongly supports HB 313 and urges a favorable vote.