



CITY OF TAKOMA PARK, MARYLAND

HB 540 Support

Ways and Means Committee

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HB 540: State Income and Property Tax Credits – Purple Line Construction Zone

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The City of Takoma Parks strongly supports generous grants, tax credits and low-interest loans to businesses financially impacted by the construction of the Purple Line light rail project.

Takoma Park has been advocating for construction of the Purple Line for nearly 20 years – we believe our city’s future economic health depends on it. But, our community just won’t be the same if our long-time restaurants and stores cannot survive the impacts of construction.

Construction of the segment of Purple Line in Takoma Park is particularly damaging to nearby businesses. MDOT officials acknowledge that this may be the most congested segment in the whole project. This is not an area with several months of construction and then the major activity moves down the road a bit. Instead, after four months of blocking entry to parking lots and traffic gridlock, our businesses were told, “There’s still at least a year to go of this same utility work in front of your business.”

The toll on the businesses is high: 30-40% drops in revenue for many businesses and, for some, 70% drops in weekend revenue. Business owners that have been in the City of Takoma Park for 15, 20 and 30 years are taking out high-interest loans, they are laying off staff – staff that have worked for them for years and who have families they know – and, the vendors that serve the businesses are being hurt as well because not as much product is being sold. The stories from business owner after business owner are heart-wrenching.

All efforts to keep these businesses in business will have financial pluses for the State of Maryland, Montgomery and Prince George’s Counties and the municipalities along the Purple Line route, including the City of Takoma Park. We will be able to continue to get property taxes, income taxes and have our residents served with the goods and services they need. And, we keep our community businesses that we value so much.

The City of Takoma Park strongly urges favorable consideration of HB 540.