



Takoma Junction Statement

By: Mayor Talisha Searcy

The City of Takoma Park and The Neighborhood Development Company (NDC) have ended our relationship on the Takoma Junction Project. I want to use this opportunity to provide the community with additional details regarding the settlement and the future use of the City-owned lot.

The settlement between NDC and the City of Takoma Park is somewhat complex. But generally, the settlement involves the following:

1. An assignment to the City NDC's rights under the sublease between NDC and the Takoma Park Silver Spring Cooperative, Inc. ("Coop"); and
2. A transfer to the City of requested surveys, studies, and reports conducted by NDC; and
3. Termination of all agreements between the City and NDC; and
4. A mutual release of all claims between the City and NDC; and
5. A transfer of monetary consideration from the City to NDC.

With respect to the monetary consideration, the City made \$500,000 available for the settlement agreement. NDC owed certain state, county, and City taxes; lease payments to the City; stormwater fees payable to the City; and the Coop's security deposit. These costs totaled \$102,393.18. Thus, the monetary consideration paid to NDC was reduced by the amount of the outstanding payments of \$102,393.18, making the actual amount paid to NDC \$397,606.82.

I understand that residents may have differing opinions or interpretations of the City's development agreement with NDC. Some residents may question whether a payment to NDC should have been made at all. Ultimately, any dispute over the contract would have to be determined in a court of law. That process would have been costly and time-consuming, regardless of whether the City prevailed in court. Additionally, any such litigation could have had unintended consequences. For example, the use of the lot could have been restricted until a settlement was reached.

The City of Takoma Park avoided litigation and is now in full possession of the City-owned lot in Takoma Junction.

Looking forward, the City is excited about what the future holds for Takoma Junction. From new businesses to pedestrian safety improvements, the City of Takoma Park is committed to ensuring that Takoma Junction is a thriving commercial district.