



## B. Plan for increasing the tax base:

The office vacancy rates in the county (and the region) have grown inexorably over the past decade, and, as we all know, a vacant building has a lower tax assessment rate than a fully occupied one. So, a short-term fix would be to work much harder to recruit new businesses to fill some of this vacant space. There are multiple ways to go about this: closer collaboration with the broker community, better marketing of the MOVE program (and perhaps increased incentives), a streamlined process for retrofits of older buildings, celebration of our wins, and creating a culture of “yes” in government are but a few. One example is the soon-to-be former Discovery HQ site in downtown Silver Spring. There should be a public/private partnership to think through the potential uses of this prime site (corporate offices, university, arena, etc.) and then a cooperative marketing effort could be initiated. A new bio-science company would be ideal, given the fact that companies such as United Therapeutics already have a huge presence in downtown Silver Spring.

We also need to keep a vigilant eye on government expenditures to make sure that our citizens are getting a good return on their tax dollars. We will be better able to add new programs if we look to see if there are existing programs that are out of date and no longer giving us a good return on our dollar. These should be eliminated.

Longer term, we need to continue to rethink some of our land use decisions to make sure that we are creating the types of places that tomorrow’s corporations demand. As Marriott proved, office parks are no longer in vogue and need to be transformed over time to mixed use developments. We must continue to ensure that our transportation and education systems are top-rate. Completion of the Purple Line and progress on a BRT system are two critical components.

We should continue to improve our entrepreneurial environment. Many of our premier companies started in county living rooms and garages, e.g., United Therapeutics, Marriott, MedImmune, Wedding Wire, Discovery, MacroGenics, etc. We need environments to house these new start-ups (Why is the Silver Spring Innovation Center virtually empty?), programs to encourage them, mentors to advise them and marketing to celebrate their accomplishments. It is not rocket science, but it does take focus, consistency and funding.

## C. My Plan:

Incentives have been and should remain a key component in the tool box for retaining existing county businesses. Incentives must be tied to the benefits a company’s retention/expansion brings to the county; the number of jobs retained and added, the salary levels, the amount of office space occupied and the length of the lease are key indicators. Incentives can then be tied to achieving specific goals in these areas and should include enforceable clawbacks if the goals are not met. Additional approaches include assistance with employee recruitment and training, support for signage, etc.

Longer term, the regulatory process still needs improvements. I cannot really imagine a situation in which it makes sense for the county to make already strict state regulations even stricter, yet we have done this on more than one occasion. The new zoning code attempted to put more flexibility into the review process, and mandated much shorter timelines, but reviewers at the Planning Department, DPS, and DOT still seem to enjoy finding small nits to raise, which slows down the process, annoys applicants, and costs real dollars to resolve. Each step in our development process seems to respond to some actual or imagined problem and makes sense in and of itself, but when all the steps are combined the process becomes unacceptably long, complex, unpredictable and expensive. A strong leader needs to be able to change the culture going forward.

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?
- Did you or would you have supported the 2016 recordation tax increase?
- Did you or would you have supported the eventual phase out of the County's exorbitant energy tax?
- Other than raising taxes, what ideas do you have for creating an economy that will meet the growing needs of county residents?
- 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:

A) The 2016 property tax increase did not need to be as high as it was. The County Executive originally asked for such a large increase because of the negative financial impact on the county of the Wynn decision, but once the county went to court to obtain a longer period of time to pay back the monies that had been collected inappropriately, the county executive made it clear that the tax increase could be rolled back to about 5%. The Council chose to fund new programs with the additional dollars, putting the county in an even worse financial position. Now both businesses and individuals alike are united against the high level of taxation in the county, which is why I want to be expand our tax base by becoming much more business friendly.

B) I was not on the Council when the recordation tax was raised but I did understand the reasoning behind the increase. New development is often blamed for the rapid rise in our school population, but, in fact, much of it is due to the fact that many of our established neighborhoods are seeing real turnover as older residents decide to downsize or move near family, and they sell their homes to young couples with children. What is unfortunate is that our commercial tax base has not been growing enough to provide the monies needed to build more schools and other infrastructure. This is why I am running on a platform that prioritizes economic development.

C) The recession of 2008 put the county into a very difficult position, and many taxes were raised. The huge increase to the energy tax was only supposed to stay in place for two years, yet, except for some minor reductions, it is still in place. I support eliminating it because it is a deterrent to business.

D) Our county residents are very highly educated and our cost of living is relatively high, so growing our knowledge-based economy is a high priority. Our population is also aging, so continuing to support an excellent healthcare system is an important component of our economy. We also need a shift in our educational thinking: vocational programs and adult retraining programs need to take their rightful place alongside STEM.

E) As stated above, program review should always be in vogue, and consolidation of programs should always be an option. That said, consolidation/elimination often involves job loss and that should never be done cavalierly. Past attempts have been made, for example, to consolidate law enforcement/security details within the county and have run into a political buzz saw. Another example is the IG's office, which was supposed to be temporary, but somehow has managed to become permanent. In my opinion, it should be a candidate for review.

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?
- Did you or would you have supported mandatory sick leave, even for part-time employees?
- Do you support an employer's right to hire and schedule its employees according to its individual needs? Do you support legislation that dictates minimum work hours or scheduling requirements?
- What policy ideas do you have to enhance the success of our member job-creators?
- Other comments:

A). I was not on the Council when the Minimum Wage Bill was passed. As I have often said, I don't know how anyone lives in this county on minimum wage, but I believe that this bill would have been far better if it had adopted at the state level. As it is, the bill just makes it harder for businesses to choose to locate here, when they can save money on wages simply by going to surrounding counties such as Frederick, Howard or Prince Georges. Moreover, given the degree to which automation is replacing jobs, I am worried that fast food chains and other concerns will simply use machines, rather than humans, to get many tasks done. I was glad that the implementation of the minimum wage law was spread out over a longer period of time so that its impact on smaller businesses can be better absorbed.

B). Paid sick leave is a benefit I have enjoyed as a government worker, but, thank goodness, I almost never needed to use it. Some employees, however, take advantage of it and take time off from their jobs even when there is no health emergency. I don't want individuals to have to choose between their jobs or caring for a sick family member, but I am concerned that this is just another requirement that makes it easier for companies to choose to locate someplace else. Offering a small number of sick leave days, with an option to allow employees to donate some of their sick leave days to someone who is experiencing a significant health crisis, would appear to be the best option.

C). I do except for circumstances involving health and safety concerns. Truck drivers, medical residents and pilots are examples of professions where the health and safety of the operator and/or public override individual business interests. In these cases, standards should be set and adherence enforced for the sake of all. I do not support, in general, legislation that dictates minimum work hours or scheduling requirements.

D). The best policy is generally to stick to basics. Government's job is to create a base from which great companies can grow. That means creating a safe environment with excellent transportation systems, appropriate housing and an educational system that is the envy of all should be the ABCs of local government.

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

A). Yes

B/C). Discussions are always useful. I would not require interviews because the sample size could never be large enough to ensure objectivity or, if it were, the cost would be prohibitive and the time required would be outlandish.

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.

A) You are correct that some of the recent new legislative initiatives have been tone-deaf to the needs of small businesses. Probably none is more indicative of this than the increased minimum wage law. Small business concerns were not considered ahead of time (seasonal workers, part-time workers, trainees, etc) and as a result intense lobbying was required to get the legislation adjusted.

B) Small businesses generally do not have the ability to anticipate, much less absorb new regulations or costs, nor do they have their own lobbying muscle. Chambers and professional associations provide

them that service, so these groups must make sure that their doors are open so they can hear the needs and concerns of the small business community.

C) I would provide training to keep the workforce up to snuff technically; I would expand the MOVE Program, and I would create a Small Business Innovation Research matching grant program.

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?

When the Planning Department created the CR zone, the hope was to bring residential uses into commercial areas to create a 24/7 environment. Alas, planners cannot control market forces. Although Silver Spring's profile is becoming increasingly unbalanced in favor of residential, the underlying causes are shared across the nation. Businesses and government are using much less commercial real estate per employee than in the past and while the economy has recovered from the 2009 recession, our rate of growth is still anemic. In short, the demand for office space does not warrant new development, nor is that development generally financeable. The same is not true for residential development, so that is what is being built.

Government can try to help shift the economics by offering very targeted tax incentives and streamlined approvals (time is money) for developers and outright subsidies to prospective key tenants. In addition, marketing can be much improved as can cooperation with the development and brokerage communities. In addition, small steps like fully utilizing the Silver Spring incubator and other co-working space in the community can anchor more start-ups there for growth into significant local employers.

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?

I believe that the Route 29 corridor is about to have its day! The new Adventist Hospital and the Percontee development are supporting examples. Further, the abundance of fiber along the corridor and a planned under-the-Potomac connection to the Loudon County internet hub should provide an advantage in marketing to tech heavy users. Focusing tried and true economic development approaches (marketing, cooperative outreach with the developer and broker communities and targeted incentives) on the corridor should also bear fruit.

There are some remaining problems that beg for solutions before the area is likely to reach its full potential and transportation is a key one. The 29 corridor is proposed as an early component of the BRT system and that should relieve some of the traffic congestion. There are also some longer term moves that would assist: build-out of the Burtonsville hub, approval of more housing density and diversity, and the addition of amenities in the area are goals that local government can and should embrace.

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

A). Transportation balance is a dynamic process, not a static condition. As people's preferences change (eschewing automobile ownership, living close to work, reducing their carbon footprint, etc), our transportation needs change also. We need to continue to forecast these trends and understand their implications to do the best possible long-range planning that transportation solutions generally require. Meanwhile, we have a responsibility to maintain and support the modes that are most heavily relied upon by our residents and businesses....namely roads and transit...and to do so in collaboration with our regional, state and federal partners.

B). Metro has made great strides in addressing its safety and reliability deficits under the current leadership. However, until Metro has a dedicated, reliable and predictable funding source, it's future remains uncertain. I pledge to work with other regional leaders to secure such a funding solution.

C). As mayor of Rockville, I saw to it that the Rockville Town Center redevelopment plan included a robust component to assist impacted businesses during construction. So, I clearly support the notion that the public projects should attempt to do no harm. The county has supported businesses through disruptive construction projects (Wheaton triangle, downtown Silver Spring, etc). State and federal projects also have support mechanisms. My approach would be to make sure these efforts are coordinated and that we plug any gaps.

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

Ideally, my vision would see Amazon choosing Montgomery County for the site of its second headquarters. That would bring in much needed tax revenues, many high paying jobs, transportation improvements that have long been on the books but never funded, and a large number of millennials who would become the bedrock of the county for the next 30 – 40 years. However, since we cannot count on that, I would advocate for a strong economic development push in the county that would focus on businesses both large and small. New businesses mean new jobs, and I want to enhance the vocational training in our public high schools and our community college to make sure that we are providing the trained workforce that these new companies would need. I want to look for economies of scale in terms of our county government, so that we can rein in spending so that we don't have to continually raise taxes. I want to work hand in hand with businesses and developers to see how we can change the narrative and make Montgomery County a much more desirable place to locate. Finally I want to continue to push for more development in the eastern part of our county, including the greater Silver Spring area, so that our residents on both sides of the county, can live in desirable communities close to numerous amenities.

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

I would measure success in terms of making progress at attracting and maintaining new businesses, closing the achievement gap in our schools, maintaining our Triple A bond rating, ensuring that our schools have sufficient classroom space to provide a top-notch education for every child, and improving opportunities for all of our residents, regardless of where they live.