



OUR MISSION:

Working to enhance the economic prosperity of greater Silver Spring through robust promotion of our member businesses and unrelenting advocacy on their behalf.

April 10, 2023

The Honorable Evan Glass
and Members of the Montgomery County Council
100 Maryland Avenue, Sixth Floor
Rockville, Maryland 20850

Dear Council President Glass and Members of the Council:

On behalf of the Greater Silver Spring Chamber of Commerce, representing more than 300 employers, mostly small businesses, and several non-profit organizations in greater Silver Spring and surrounding areas in Montgomery County, we are submitting these comments for your review and consideration as you deliberate action on the County Executive's proposed FY24 Operating Budget and Public Services Program.

As you are well aware, there are dueling rent control bills being considered. One bill, [Bill 16-23, Landlord-Tenant Relations – Rent Stabilization \(The HOME Act\)](#), sponsored by Councilmembers Jawando and Mink, proposes a 3% rent cap. The other bill, [Bill 15-23, Landlord-Tenant Relations-Anti Rent Gouging Protections](#), sponsored by Councilmember Fani- González and five other Councilmembers, proposes an 8% rent cap plus CPI.

As per economic data and numerous studies quoted in previous hearings, implementing rent control will create even more housing shortages, drive up costs of rental housing, and decrease the quality of existing housing stock. We are aware that property owners who rent gouge exist. However, as noted multiple times, the average rent increase over the last 10 years in Montgomery County has been 2.1%.

We already have a housing supply problem in Montgomery County – both for owner-occupied and rental options. We need to work on building more attainable housing before we drive businesses interested in building a workforce here, and developers interested in providing housing, away from the County. Both of these bills threaten housing affordability and deeply impair Montgomery County's role as an economic engine in the region.

Before passing either piece of legislation, the Greater Silver Spring Chamber of Commerce urges the Council to consider the message that legislation like this sends about how much Montgomery County is "open for business." Particularly in conjunction with the massive property tax increase and recordation tax increase, the exact opposite message is being sent to those who might be interested in investing in locating or growing their businesses here.

All that said, if you feel you must choose between these two pieces of legislation to regulate the rental market, Bill 15-23 would better address the bad actors in the industry and maintain Montgomery County as a place for long-term property management investments. The Greater Silver Spring Chamber of Commerce would further urge that monies collected from this bill passage be applied to any number of the issues in Silver Spring that were cited in the previously submitted "GSSCC Testimony – Operating Budget FY24."

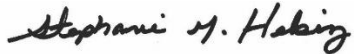
Lastly, when combined, the massive property tax increase suggested by County Executive Elrich in the FY2024 Operating Budget and rent control legislation, signifies that Montgomery County does not invite investment or economic development, and you are making it impossible for the next generation of business leaders to afford to make roots in Montgomery County.

The Greater Silver Spring Chamber of Commerce would like to urge the Council to consider the message that legislation like this sends about affordability here. You not inviting those who might be interested in investing in locating or growing their businesses here.

In conclusion, both the County and many private entities have made enormous investments in Silver Spring. We believe that the requests we offer in this letter in lieu of testimony will serve to protect those investments and help to assure a safe, secure, and vibrant future for Silver Spring.

Should you have questions, don't hesitate to contact us.

Sincerely,

Handwritten signature of Stephanie M. Helsing in black ink.

Stephanie Helsing
President & CEO