

Testimony – Richard (Dick) Stoner, for January 23, 2023 MoCo Council hearing

On Bill # 45-23

Good afternoon,

I'm here to testify in favor of Council President, Andrew Friedson's property tax credit for county residents who are over 65 years old.

I was raised in this county near the district line by parents who were first generation college graduates and whose first jobs were in Washington, DC. I went to BCC high school and was fortunate to go to college where I earned a B.S. degree in Economics and Business Administration. My first professional job using the degree was in Washington, DC, where I also rented apartments and homes until I was able to purchase a townhome, with a friend, in Rockville, MD. Within a few years, I married and was able to qualify for the mortgage (at 12-3/4 %) on a single family home, also in the City of Rockville, where I still reside.

The tax bill on that home was approximately \$1750 per year, or \$ 150 per month.

We've raised three children, and all three graduated from high school in MoCo and went on to college. Our home is the center of family activities for various gatherings with friends, spouses and now grandchildren to a community where we've known and socialized with other families now for more than four decades. It's a stable neighborhood and one that experiences more noise and traffic than when we first moved in, but it's still a great place to live and I deeply enjoy meeting folks who move in, at our summertime picnics and holiday parties. People from all walks of life, and many different races, religions and individual backgrounds seem happy to know their neighbors and look out for one another when needed, in this great area just a few miles west of where we are right now.

Both my wife and I have left full-time professional careers and now must contemplate where best to live as we consider retirement options. I still work, part-time. My income is up and down, as an independent sales rep, with irregular paychecks. While we love where we live, one of the most difficult aspects of living here, is the property tax bill which is approaching \$ 10,000 annually (over \$750 monthly) and requires significant monthly effort to be sure that it can be paid on top of food, clothing and all of the other essentials. We make less than \$ 100,000 now.

The most difficult annual expenditure in our life is the property tax bill which as you know is due half in September and half in December. This year, I borrowed to pay the second half before December 31st. Some people say " Wow, your home has gone up so much in value" but this does not help pay the bill when you plan to stay in your home.

See, I descend from Lancaster County, PA Mennonite farmers. In our culture and community, most families sought to own property, manage the farms and someday be able to hand off the

hard earned land and business to the next generation to continue the family business. The goal has never been to sell the homestead and reap a financial benefit that allows the grandparents to move to Florida or some far away less expensive place. The goal was to stay near family and community, both for the help sometimes needed for the older generation, but also to be able to be part of the lives of the younger ones as they mature. I think this model can apply to many suburban families in our generation despite the family home not being at the center of a farm. Staying in a community has benefits to all.

My point is that when families stay put, whole communities are more stable, and maybe some wisdom is even passed down to younger folks, not to mention the many other benefits of having people at different stages of life share the same neighborhood spaces. Though today's careers often dictate moves, and realizing that some people like to move for a sense of variety or adventure in their lives, there are a lot of benefits, not only to family members, but to whole communities, when some portion of the residents who have been there for a long time stay and are part of a diverse community.

Our average sized home, with it's \$9-10,000 annual tax bill can be compared to homes of an equal size in say, Westmoreland County, VA (across and down river slightly) or say, Washington County, MD (an hour west) where the tax bill on a home this size would be \$ 3-5,000 annually. Here, I must somehow earn another \$ 6,000 per year after taxes (= \$10,000 before income taxes). As our children grew, we were glad to have services, within the City of Rockville, such as summer camps, efficient trash and recycling collection and access to parks, trails and other amenities. But, as retirees or semi-retirees, we no longer use most of those services, so paying \$ 10,000 or more is simply a struggle. The MoCo system and the economy have created a strong incentive to sell and move out.

As County Council members, if you intend to finance the county by encouraging people my age to sell their homes and move on, so that the county can raise funds from the newly increased transfer and recordation taxes and possibly also from the sales tax and higher income tax revenue from younger couples who may earn double the amount we ever earned, then please vote against this bill. On the other hand, if you believe that healthy neighborhoods are enhanced by diversity, in age groups, as well as race, creed, national origin, etc, and if you believe that it's only fair to keep life in Montgomery County reasonably affordable for senior citizens with average or slightly below average earnings, then please support this bill and not penalize citizens who still have lots to offer in terms of volunteer efforts; age diversity, and neighborhood stability. Thank you.