



Testimony before the Montgomery County Council's Committee on
Government Operations & Fiscal Policy Committee

Regarding Bill 3-25, Homeowners' Tax Credit -County Supplement- Amendments

March 4, 2025

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Good afternoon chair and members of the committee:

Thank you for providing the opportunity to participate at today's hearing.

My name is Sheila Somashekhar, and I am speaking on behalf of the Purple Line Corridor Coalition (PLCC), a collaborative working on equitable development along the Purple Line. With its home at the University of Maryland's National Center for Smart Growth, PLCC has developed a number of research-supported plans and policy priorities that address issues such as housing stability and affordability in gentrifying communities along the transit route.

PLCC has a stated goal in its [2023-2027 Housing Action Plan](#) to make sure renters and homeowners have the choice to continue to live near the Purple Line. About one-quarter of Purple Line homeowners already struggle to keep up with the costs associated with homeownership, with the burden being even greater for homeowners of color. We support Bill 3-25, as necessary for homeownership preservation and prevention of displacement.

It has been more than 15 years since the thresholds for maximum home value and income levels were updated. As of 2022, half of the zip codes within the Corridor had a median home value at or above \$450,000, making those homes unattainable to households making less than \$152,900. Further, a household income of \$75,000 is significantly more cost-burdened than similar households living elsewhere in the region. Research suggests that land and home values will continue to increase rapidly along the transit corridor. Increasing the household income level and the property assessment value threshold to qualify for the program means that more struggling families will have access to the relief available from the tax credit.

Passing this legislation is important for the well-being of the communities along the Purple Line, and we encourage your support. Thank you, and please contact me at ssomashe@umd.edu if you wish to discuss further.

