



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.

March 10, 2025

The Honorable, Kate Stewart, Will Jawando
and Members of the Montgomery County Council
100 Maryland Avenue, Sixth Floor
Rockville, Maryland 20850

Dear Council President Stewart, Vice President Jawando, and Members of the Council:

On behalf of the Greater Silver Spring Chamber of Commerce, representing more than 300 employers, mostly small and minority owned businesses, in greater Silver Spring and surrounding areas in Montgomery County, we strongly support the More Housing N.O.W. (New Options for Workers) legislative and budget package. Thank you to the package's sponsors (Councilmembers Andrew Friedson and Natali Fani-González) and co-sponsors (Council President Stewart and Councilmembers Balcombe, Luedtke, and Sayles) for introducing the More Housing N.O.W. package. The Chamber has always been about making greater Silver Spring a thriving business community, a place where people want to live, work, and come to enjoy what so many of us love about Silver Spring – our wonderful arts and entertainment venues, our breweries, and what I like to call our “United Nations” of restaurants and this package is a step in the right direction.

Specifically, our chambers support:

- Expedited Bill 2-25, Taxation – Payments in Lieu of Taxes – Affordable Housing – Amendments, which establishes a payment in lieu of taxes (PILOT) for conversion of high-vacancy commercial properties to residential use.
- Zoning Text Amendment (ZTA) 25-02, Workforce Housing - Development Standards, which allows more residential building types along corridors with a workforce housing requirement.
- Zoning Text Amendment (ZTA) 25-03, Expedited Approvals - Commercial to Residential, which creates an expedited approval process for projects that convert high-vacancy commercial properties to residential use.
- Budget request to double Homeowner Assistance Program from \$4 million to \$8 million in the FY26 Housing Initiative Fund (HIF)
- Budget request of \$4 million for a new countywide fund to incentivize the construction of workforce units

The GSSCC commends the goals of the More Housing N.O.W. initiative, which aims to increase housing supply, reduce costs, and expand pathways to homeownership. Notwithstanding the extreme headwinds facing Montgomery County's housing market, which include rent control and the specter of increasing property taxes, the availability of income aligned housing is crucial for Montgomery County's economic success. Given the County's stagnant economic growth, our Chamber believes that increasing the supply of middle-income housing can drive economic activity. To spur growth and make Montgomery County more attractive to employers, the County needs more housing options for working families and young professionals.

We also support creating incentives for the struggling commercial property market. While many commercial properties are not ideal for residential conversion, More Housing N.O.W. offers innovative and competitive incentives to convert high-vacancy commercial properties to residential use. This approach addresses two significant economic issues: repurposing struggling commercial properties and increasing housing supply.

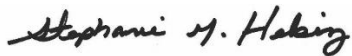
Montgomery County and the commercial real estate market may never fully recover from the COVID-19 pandemic, and pressures continue to grow with the potential downsizing of the federal government. This is particularly true of Silver Spring, which has lagged neighboring areas for various reasons. Now is the time to provide new options and incentives for converting commercial properties. While these incentives will not solve all the challenges of the struggling commercial real estate market or the County's income aligned housing shortage, they represent an important step in the right direction.

During a recent discussion held by the Montgomery County Chamber of Commerce, "Making Montgomery County More Competitive in a Challenging Real Estate Climate," panelists explored potential solutions for key issues facing commercial real estate, including the implementation of tools such as payment in lieu of taxes (PILOTs) and tax increment financing (TIF). Panelists highlighted that while these tools are widely used across the country, they are not yet utilized in Montgomery County. The passage of this bill could enable Montgomery County to join other jurisdictions successfully employing PILOTs or TIFs, thereby providing greater options to address the County's real estate challenges.

With the above-mentioned points taken into consideration, the Greater Silver Spring Chamber of Commerce believes that the More Housing N.O.W package is a starting point to address these needs, ensuring the continued viability of our businesses, and the greater Silver Spring community and we request that the County Council favorably consider the More House N.O.W. package.

Should you have questions, do not hesitate to contact us.

Sincerely,



Stephanie Helsing
President & CEO