



MONTGOMERY COUNTY OFFICE OF RACIAL EQUITY & SOCIAL JUSTICE

REIA #26-61

Small Business State Revitalization Program, Takoma Park Car Wash

Requesting Agency/Department(s)	Dollar Amount
Department of General Services	\$200,000
Funding Source	County Match Amount
State Aid	N/A

Finding

The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental Appropriation #26-61, Small Business State Revitalization Program—Takoma Park Car Wash, has the potential to advance racial equity and social justice given the project’s location and its alignment with Montgomery County’s Sustainable Communities Action Plan. However, the limited publicly available information about the project’s development process and details about the business make it difficult to fully assess the likely impact of the supplemental appropriation.

Background

Purpose

The purpose of Supplemental Appropriation #26-61 Small Business State Revitalization Program, Takoma Park Car Wash, is to allocate \$200,000 in State Aid to the Department of General Services for a newly created Capital Improvements Program project called Small Business State Revitalization Program - Takoma Park Car Wash CIP No. P362608. State budget legislation directed this funding, which will pay for improvements to Nugyen Car Wash, Inc., located at 7551 New Hampshire Avenue. According to the Project Description Form, “improvements may include new equipment, system upgrades, equipment repair, marketing, and customer safety”¹. Details about project selection were not available at the time of this analysis.

Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #26-61 Small Business State Revitalization Program, Takoma Park Car Wash Page 2

Additional Background Information

The state of Maryland has seven State Revitalization Programs. These programs are designed to support community revitalization goals and are primarily used to support expenses associated with capital projects². The specific project funded by this Supplemental Appropriation received support from the National Capital Strategic Economic Development Fund (NED), which provides competitively awarded funds for commercial and residential revitalization activities. Projects eligible for this funding must also support a specific area's Sustainable Communities Action Plan³. Eligible projects in Montgomery County are within an Enterprise Zone or the boundary created by:

1. Prince George's County;
2. Maryland Route 200;
3. Interstate 270;
4. Interstate 495 to the Maryland state line; and
5. The District of Columbia.

The Nugyen Car Wash, Inc. in Takoma Park is within this qualifying area⁴. According to a 2023 Mayoral Proclamation, "the Car Wash is a family-owned and operated small business that has employed hundreds of local residents over the years"⁵.

Relevant REIAs and Other Assessments

ORESJ has conducted REIAs since 2021. The below REIA is relevant to supplemental appropriation #26-61.

- REIA for Supplemental Appropriation #23-99 Burtonsville Crossing Shopping Center (No. 362311) <https://www.montgomerycountymd.gov/ore/Resources/Files/23-99.pdf>

This REIA, as well as ORESJ's Capital Improvements Program Budget Equity Tool (CBET) analysis of the Countywide Façade Easement Program explain the significance of historical development patterns in shaping current economic inequities and racial disparities in the County. Both analyses refer to the importance of targeted assistance and investments to address these inequities.

Analysis

Demographic Profile

There is no publicly available information confirming the owner's race or ethnicity, whose business is expected to receive support through this supplemental appropriation. However, the

Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #26-61 Small Business State Revitalization Program, Takoma Park Car Wash Page 3

business is in the 7017.03 census tract, and people of color make up two-thirds of the area. See the census tract demographics below.

Population Group	Number	Percentage
Non-Hispanic White	1,242	33%
Tract Minority	2477	67%
American Indian	0	0%
Asian/Hawaiian/Pacific Islander	280	8%
Black	1186	32%
Hispanic	779	21%
Other/Two or More Races	232	6%

Source: 7751 New Hampshire Avenue 20912 Address Look up via:

<https://geomap.ffiec.gov/ffiecgeomap/>

The significance of this demographic makeup is explained well in Thrive 2050, which highlights the impacts of past development practices:

“Today, communities with high concentrations of racial and ethnic minorities also show lagging median household incomes, not because of their race or ethnicity, but because financial precarity due to low-wage jobs, high rates of being uninsured, declining business starts, and lack of housing are experienced to a greater degree because of past and institutionalized discriminatory practices. Not surprisingly, the resulting gaps in quality-of-life indicators are seen among too many Black, Hispanic, and Asian residents.”⁶

While the business ownership demographics can’t be confirmed, funding from this supplemental appropriation—to help sustain a small business (and employer)—could help address quality of life (including business and employment) gaps created by previous development decisions and public policies.

ORESJ Research & Analysis

There are few publicly available details about the origin of the proposal for this project and the community engagement activities (or other processes) that may have informed it. Therefore, it is difficult to determine to what extent racial equity was built into the selection process.

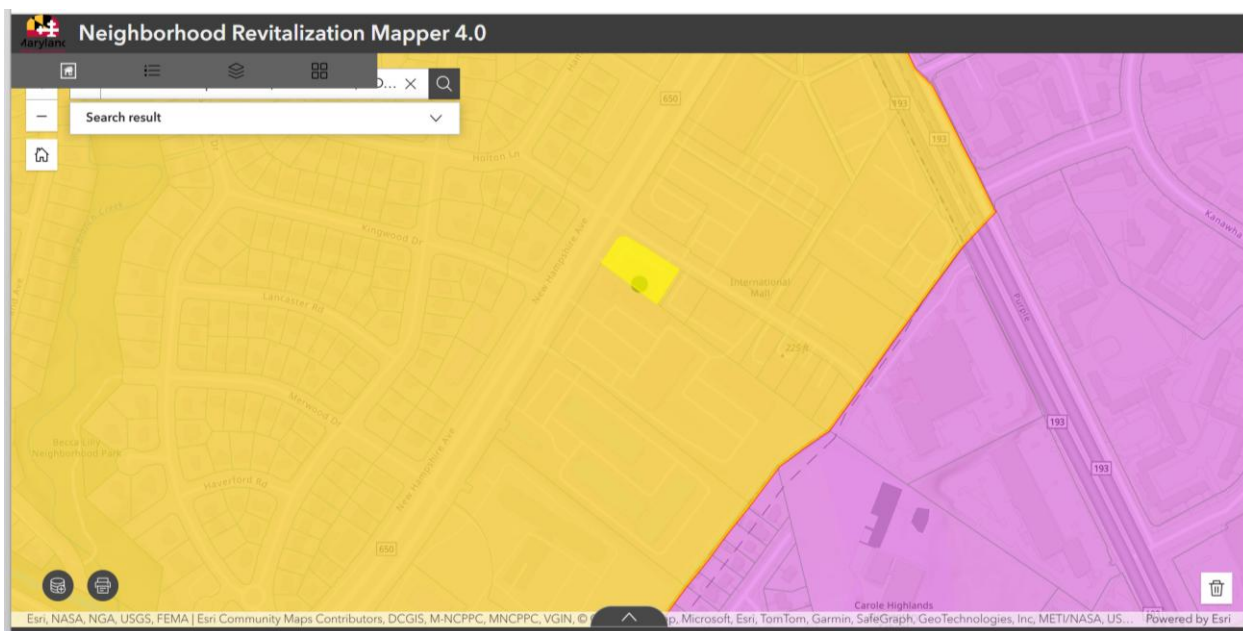
Based on details about the NED, eligible projects are required to support Montgomery County’s Sustainable Communities Action Plan. The County’s plan includes four desired economic outcomes and supporting strategies. No outcomes or strategies focus explicitly on “new

Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #26-61 Small Business State Revitalization Program, Takoma Park Car Wash Page 4

equipment, system upgrades, equipment repair, marketing, and customer safety” for businesses, as is the intended use of the grant funds. However, the plan suggests a desire to support racial equity and social justice. Specifically, through activities that align with the racial equity and social justice tenets of Thrive 2050 and that promote growth that is “environmentally, economically, and socially responsible”⁷. For example, the plan includes “Create an Inclusive Economy for Shared Prosperity”⁸ as a desired outcome and “expand training and development tools geared for business startups and provide broader access to start-up, business expansion capital”⁹ as a strategy. Because projects funded by the NED must support this plan, which incorporates Thrive 2050 and promotes growth that is “environmentally, economically, and socially responsible”¹⁰, it is possible that this project could also help to advance racial equity and social justice. While this project is narrowly defined, investments in a small family-owned business that employs local residents and is part of a racially diverse community with median household incomes below the County’s AMI could help prevent historical inequities from widening.

Map of Neighborhood Revitalization

The project site at 7551 New Hampshire Avenue is within the “National Capital Strategic Economic Development Area: Montgomery County” funding area and also within a “Department of Housing and Community Development (DHCD) Sustainable Communities” designated area.



Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #26-61 Small Business State Revitalization Program, Takoma Park Car Wash Page 5

Visual description: This is a color map showing that the car wash business, located at 7551 New Hampshire Avenue, is within both the National Capital Strategic Economic Development area and the DHCD Sustainable Communities designated area. There is a yellow box highlighting the parcel and a black dot showing the business location.

Source: Maryland Neighborhood Revitalization Mapper 4.0

<https://experience.arcgis.com/experience/5f31da408b584e59abdc4930517cb05e/page/Page?views=Map-Layers>

Caveats

This REIA has been conducted with the best available information at the time of writing, including department responses to the Racial Equity and Social Justice template and research conducted by ORESJ Policy Team Analysts. While the assessment examines the specific racial equity and social justice impacts of the funding request, it cannot fully address all systemic inequities affecting the communities in question, nor do we seek to examine impacts outside the scope of the funding request. We recommend using this assessment as a starting point for discussions about the program's impact on advancing racial equity and social justice in Montgomery County.

References

¹ Small Business State Revitalization Program - Takoma Park Car Wash | 2026 CY Budget Changes.

² Maryland Department of Housing and Community Development. State Revitalization Programs.

<https://dhcd.maryland.gov/Communities/Pages/StateRevitalizationPrograms/default.aspx#overview>

³ Sustainable Communities Program Application for Designation Renewal. 2022.

<https://dhcd.maryland.gov/Communities/Approved%20Sustainable%20Communities/Montgomery-Application.pdf>

⁴ See Analysis Section for Screenshot of Maryland National Capital Strategic Economic Development Areas (DHCD).

⁵ <https://takomaparkmd.gov/DocumentCenter/View/3618/Proclamation-Recognizing-New-Hampshire-Car-Wash-15-Year-Anniversary-PDF>

⁶ <https://montgomeryplanning.org/wp-content/uploads/2023/06/THRIVE-Approved-Adopted-Final.pdf>

⁷ <https://dhcd.maryland.gov/Communities/Pages/dn/default.aspx>

⁸ <https://dhcd.maryland.gov/Communities/Approved%20Sustainable%20Communities/Montgomery-Application.pdf>

⁹ <https://dhcd.maryland.gov/Communities/Approved%20Sustainable%20Communities/Montgomery-Application.pdf>

¹⁰ <https://dhcd.maryland.gov/Communities/Pages/dn/default.aspx>