

# Gaithersburg-Germantown Chamber of Commerce, Inc.

 Adventist HealthCare  
Shady Grove Medical Center

 ASBURY  
Methodist Village  
Anticipate More



 GAITHERSBURG CPAs  
EXTRAORDINARY CLIENT SERVICE FROM A TRUSTED ADVISOR

 HC HOLY CROSS  
HEALTH

 HUGHES  
An EchoStar Company

 LerchEarlyBrewer



 Minkoff  
ESTD. 1972

 MC MONTGOMERY  
COLLEGE



 RODGERS  
CONSULTING Knowledge  
Creativity  
Enduring Values

 SUPPORTING  
strategies

 The Universities  
AT SHADY GROVE

May 15, 2024

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

Dear Council President Friedson and Members of the Council:

On behalf of the Gaithersburg-Germantown Chamber of Commerce (GGCC), we are submitting these comments for your consideration, and as a thank you, as you go into your final deliberate action on the County Executive's proposed FY25 Operating Budget. For 75 years, the GGCC has been the leading advocate for businesses along the upper I270 corridor in Montgomery County, commonly called the "Upcounty." We specifically serve the business communities in Gaithersburg, Germantown, Clarksburg, and Damascus; our membership currently includes approximately 470 businesses in dozens of industries. Our members range in size from volunteer-run nonprofits, to solopreneurs, to businesses with thousands of employees in the Upcounty. Over 60% of our member businesses have fewer than 10 employees. We are committed to being a voice for all businesses in the Upcounty, resulting in a business-friendly environment and high quality of life in our community. We have been grateful to provide comments throughout the budget review process to your offices regarding individual pieces of the budget, and therefore some of these comments are repetitive.

Over the past several months, as we speak with business owners and community members throughout the Upcounty about their concerns, public safety topics have dominated the conversation. Therefore, our concerns this year focus on budget areas that must be addressed to assure a clean, safe, and welcoming Upcounty, and to protect the investments that both the County and countless private stakeholders and employers are making made in our community.

## **Public Safety & Security**

We are in full support of the budget funding the expansion of the Drone as First Responder program to Germantown, and thank you for this initiative. Our colleagues in Silver Spring have shared their positive thoughts on its effectiveness. We also support the full funding of the MCPD budget to continue implementing policies and practices that increase the number of police officers in the County. Despite reflecting an increase in spending for police, the County Executive's recommended FY25 budget does not address hiring more patrol officers. It includes the money for the Late-Night Business Grant Program, continued signing bonuses for new officers as well as pay increases for existing officers, which the Chamber supports.

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We strongly support the efforts currently underway within MCPD to train officers who will become part of a joint crisis response team with personnel from HHS. When these folks are hired, a continuing challenge often cited by HHS staff, they will be a welcome addition to the crisis response team. We encourage the County Council to support this effort by the MCPD, and we ask that some of the \$2.9 million and the one-time proposal of \$2.6 million in the CE's proposed FY25 budget to address support for individuals and families please be spent to address the public safety crisis in Germantown, which is top of mind for many of our members in the area.

## Welcoming Economic Investment

We appreciate the County's investment in Germantown through the Emerging Business District grant. Providing service in the Germantown Town Center that promotes economic activity, creates inviting spaces, and effectively puts Germantown on the map as a destination to shop, dine, and to be entertained is important. We are committed to being effective stewards of those funds.

GGCC also encourages the Council to return MCEDC to FY24 funding levels. The CE's proposal to reduce the MCEDC budget by approximately \$2M would diminish their MCEDC's ability to provide the critical support and economic development needed to reach the objectives the County Executive and County Council have mandated. GGCC works closely with MCEDC to serve our small business members also. As noted above, a majority of our membership are small businesses owners, and we have appreciated the collaboration with MCEDC to support those business owners. Also, it's important to note that MCEDC supports small, minority and female businesses through its administration of the ACE fund, in which 25 companies received over \$1.3M in FY23. Today, Montgomery County is one of the most diverse counties, with four of the most diverse cities in the nation (Gaithersburg, Germantown, Rockville and Silver Spring) – two of those jurisdictions are in our GGCC service footprint. It is important that our business community reflect the diversity of the County, and we appreciate the work that MCEDC does to serve that diverse business community.

Thank you, Council President Friedson, for introducing the JOBS Initiative as a special appropriation for the FY24 budget, initiative, and Council Vice-President Stewart, Councilmembers Balcombe, Luedtke, Katz, Alborno, Sayles, Mink, and Jawando, for your support and co-sponsorship, and to the full Council for adopting the measure. Your steadfast support of the New JOBS Initiative will send a strong signal about our shared commitment to move our community forward so we can reestablish Montgomery County as the driving economic force in the region. We encourage the Council to closely monitor the program and assess its potential to be a permanent incentive to new and existing employers in the County.

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## **Education and Workforce Development**

The Chamber requests the return to the FY24 Approved Budget of \$345,165,058 to fully fund Montgomery College's budget request and allow them keep Montgomery College affordable for students with no tuition increases.

We strongly request continued support for the MCPS workforce development - the Construction, Automotive, IT and Hospitality Foundation programs - which help our students prepare for careers in those fields. However, we caution the Council in approving a budget with line-item increases that, by mandate, would need to be sustained and inflated in future years.

## **Tax Rate Increase Concerns**

Specifically given County contracts and the proposed increase over Maintenance of Effort for MCPS, we are concerned that the County Council will not be able to avoid a property tax rate increase next year. We encourage the Council to consider how this will impact our residents and businesses. Instead of property tax rate increases, we need to invite a culture of economic growth to generate more revenue.

The Chamber also cautions the County Council that even though the County Executive has said that the FY25 budget doesn't include tax increases, there appear to be a number of "hidden fees" that need to be examined. We cannot continue to balance the budget on the back of our businesses through taxing, permitting, and licensing; Montgomery County already is not perceived as competitive with neighboring jurisdictions with regard to creating and maintaining an environment that invites economic activity.

## **Capital Support**

The Chamber supports projects for Montgomery College and the Clarksburg Library. We also appreciate and thank the Council for the supplemental appropriation in the FY24 budget for BlackRock Center for the Arts.

In conclusion, both the County and many private entities have made enormous investments in the Upcounty region. We believe that the requests we offer in this letter will serve to protect those investments and help to assure a vibrant and economically viable future for employers and community members in the Upcounty. We request you to please consider our requests as you deliberate the final FY25 Operating Budget. We stand ready to be your



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partners in the Upcounty to ensure your investments in our economy's growth are productive.

Should you have questions, please reach out.

Sincerely,

Paula Ross  
President & CEO

*For 75 years, the Gaithersburg-Germantown Chamber of Commerce has been the leading advocate for businesses along the upper I270 corridor in Montgomery County, commonly called the "Upcounty." We specifically serve the business communities in Gaithersburg, Germantown, Clarksburg, and Damascus; our membership currently includes approximately 470 members in dozens of industries. Our members range in size from volunteer-run nonprofits with zero employees, to solopreneurs, to businesses with thousands of employees in the Upcounty. We are committed to being a voice for all businesses in the Upcounty, resulting in a business-friendly environment and high quality of life in our community.*