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Civic Federation Testimony to County Council - Bill 39-11, Development Impact Tax Exemption

I am Jim Humphrey, testifying on behalf of the Montgomery County Civic Federation as Chair of the Planning and Land Use Committee. The Federation respectfully urges Council members to disapprove Bill 39-11, which would exempt certain residential projects from development and school impact taxes. The following resolution was unanimously approved at the December 5, 2011 MCCF meeting:

"Whereas it is not known how the county government would make up for the shortfall in revenue caused by exempting an undetermined number of market-rate dwelling units from paying the development impact tax (for transportation) and school impact tax; and,

"Whereas we do not believe that exempting an undetermined number of market rate dwelling units from paying impact taxes is fiscally sustainable in the long term;

"Therefore, the Montgomery County Civic Federation opposes County Council approval of Bill 39-11, legislation to exempt market-rate units in any project that consists of at least 25% affordable dwelling units from paying transportation and school impact taxes."

Perhaps this issue could be revisited when economic conditions have improved. Thank you.