

"Federation Corner" column
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Redevelopment often harms local businesses

by Karen Roper, MCCF delegate from East Silver Spring

It was done in Bethesda and Silver Spring. It is being done now in Fenton Village. Wheaton, Long Branch and Takoma/Langley are next. The redevelopment plans for commercial areas too often result in the dislocation and demise of community-serving local businesses.

Initially, it seems exciting to plan the redevelopment of Montgomery County's older communities. The roads will finally be repaved, the utilities might be put under ground, and new people will move in and bring economic vitality. Public meetings are held and committees are formed. The community is solicited for ideas and expresses its desire to include the small businesses, the ethnic diversity and the character of their community in revitalization plans.

Government officials assure residents that they will do everything possible to retain the small businesses and the character of the area. In Silver Spring the rhetoric was even more specific. There, residents were told "we realize the mistakes we made in Bethesda and so we won't be doing that in Silver Spring." Then, to borrow a phrase from baseball great Yogi Berra, "it's like deja vu all over again."

Ask for examples of infill redevelopment of urban areas in Montgomery County where the character and/or the small businesses were retained. There aren't any. The explanation that adding density necessitates destroying the character of your neighborhood is specious. Loss of small businesses need not be the collateral damage of infill development. One of the tenets of "smart growth" is that such growth should be integrated and community identity retained. In fact, most of the master plans for our County communities contain language recommending "retaining the existing character" of the area.

New York City is one of the most densely populated cities in the country and it has managed to increase density and keep its unique neighborhood cultures. What would NYC be without the diversity and character of Little Italy, Harlem and Chinatown? Other regions of the country are requiring new development to split its new retail space 30-30-30. Thirty percent is reserved for local businesses, thirty percent for local chains, and thirty percent for national chains.

Why can't the Requests for Proposal (RFP) for redevelopment of the County's surface parking lots require that a percentage of the retail be reserved for local businesses? A simple change in regulations would make it economically advantageous for developers to include retail space on the first floor of new condo/apartment buildings. This would have helped activate the streets and preserve the small business character of Fenton Village. Instead new condos are planned in the commercial district without any retail, creating "holes" in the pedestrian traffic on the street that displace existing businesses and severely limit retail opportunity.

The County could also consider subsidizing rents for small businesses during the period of redevelopment construction, when land values and then rents increase but new residences have not yet been built. It is impossible for retail to increase its customer base to cover these rent increases when the area is under construction and the environment discourages people from patronizing the area. Too expensive? Not when one considers that a couple hundred thousand dollars would sustain dozens of small businesses, and keep hundreds of workers employed through the transition period. This would be a bargain compared to the \$4 million subsidy being offered Costco to bring a similar number of jobs to the Wheaton area.

According to Michael H. Shuman, author of *The Small-Mart Revolution*, "Large firms turn out to be responsible for no more than 42 percent of the economy, and place-based jobs account for at least 58 percent. *We can say, therefore, that Small-Marts are responsible for most of a typical community's economy.*"

So why can't the County deliver support for local businesses? Lack of political will? Definitely. Lack of imagination? No question. For all of Montgomery County's wealth and education, there is a serious lack of imagination. Redevelopment in the County has become so formulaic and predictable that it is hard to distinguish one region from another without the help of street signs. But is that the whole story?

Approximately fifteen years ago, Main Street USA was retained by the County to do a study of Fenton Village and make recommendations for its revitalization. They rated Fenton Village as the most diverse populous of any region they had studied. (They also gave Montgomery County Government their lowest rating ever for cooperation with its citizens--but that is another column.) The real eye opener was Main Street USA's assertion that the County government would not promote the diversity of Fenton Village because it did not fit their image of Montgomery County. The government did not share the residents' view that the ethnically diverse neighborhood and businesses were of value and their protection should be a priority.

Ironically, demographers are now predicting that soon the majority population of Montgomery County will be minorities. The Planning Department is conducting seminars and lectures on the "new" diversity. Experts are being consulted and money spent on how to accommodate and incorporate the services, products and languages of this new majority population. Simultaneously, County residents in older urban neighborhoods are lamenting the loss of their diversity and fighting to keep it.

The Planning Department and other County agencies are not investigating the diverse neighborhoods in their own back yard for best practices. There are thousands of County residents who have been living with and advocating preservation of their minority neighborhoods and small businesses for decades. But the County is not listening. Instead, officials are urgently looking for experts to justify homogenizing all of the variety and richness that ethnic diversity brings to our culture.

There are plenty of predictable communities in the County for those who prefer them. But surely there are benefits to having some variety. It is time for the County to incorporate our ethnic, cultural, business and economic diversity into its revitalization plans. The idea may be new to County government, but to residents of the down County it is long overdue.

The views expressed in this column do not necessarily reflect formal positions adopted by the Federation. To submit an 800-1000 word column for consideration, send as an email attachment to theelms518@earthlink.net