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*Think about Maryland's
\$1.5 billion deficit, too!*

County's dirty little secret

Nancy M. Floreen |

You would never know this from all the political spin about the county's growth policy, but the truth is that the county depends on new growth to help balance its budget. A slowdown can have dire consequences.

Last summer, I asked the County Council's staff to calculate the contribution of growth. The answer was that it accounted for more than \$140 million of our current capital and operating budgets. Obviously, a strong growth rate generates the personal income, property and other tax revenue to pay for public services — not just for the newcomers, but for everyone. Less growth equals less money, pure and simple.

Evidence of this is the real estate recession of the early 1990s. It forced painful decisions. The education budget was reduced twice during the first year; county offices were closed and services disbanded for several unscheduled days; county employees were furloughed during the first year and went without cost of living increases for four years; and social service program went unfunded.

Because of my concern that the council's newly adopted growth policy goes too far, and as a result, its severe restrictions will not generate the revenues required to fund current needs, I voted against it. Little did I know how soon my concerns would be confirmed.

Only a week after the growth policy vote, County Executive **Isiah Leggett** advised the council that "continued weakness in the housing market and a slow-down in the growth of employment have caused a substantial decline in projected revenues in fiscal years 2008 and 2009." He expects this to cost the county \$174 million in decreased revenues. In other words, this year's budget is already out of balance because of our minuscule growth rate. Ike warned that residents might soon be seeing significant service cuts or tax increases or both.

Market forces have now achieved what 20 years of arbitrary regulations could not — the reduction of growth to a crawl. And the new growth policy will only worsen our fiscal situation.

By establishing impossible-to-meet growth controls, it will discourage private sector investment and the creation of new jobs, new housing and tax revenue. Unless government picks up the check, at most we will only see more of the luxury housing, chain retail and huge corporations that can pay the price. So much for the economic and social diversity that Montgomery County has cherished.

While no one disagrees that growth should pay for itself, we can't ignore the dirty little secret that growth has helped to underwrite the county's economic sustainability for many years.

Supporters of the new growth policy did not claim that it would reduce traffic, increase affordable housing or generate desired private investment, but neither did they admit that bringing growth to its knees will have an adverse effect on the county's fiscal bottom line.

The relevance of this to the Woodmont Triangle is profound.

Here is an urban neighborhood served by the most expensive transportation infrastructure designed exclusively for pedestrians — Metrorail.

The land-use context is pedestrian-primary / automobile secondary (and this could be easily improved, too — Hello Amenity Fund!)

In a world of virtual adjacency and cars and airplanes no one has to be where they do not want to be.

Government's job is to write rules that facilitate creating places people want to be.

A variety of building heights and ages and characters in a delightful public realm can retain an urban identity, richness and charm making the pedestrian experience special.

Elevators are vertical Metrorail systems.

Street front retail only survives if there are enough customers.

Pedestrian-proximity smart growth lowers the cost of providing government services, too.

Taller buildings provide more pedestrians at lower cost (public and private) and more light and air than more dispersed and longer lower buildings. The benefits are considerable:

- *mitigate automobile congestion by enabling pedestrians to function;*
- *environmental benefits: reduce air pollution and sprawl-caused storm water pollution;*
- *public health benefits: enable people to walk more and breathe cleaner air.*

The "project" is the Woodmont Triangle.

Individual buildings are small pieces of a larger puzzle.

The "public realm" is government's job. *Improving it at lowest cost is mandatory.*

Ultimately, the private sector pays for everything!

Almost every number in zoning is arbitrary. No two sites are identical. Paint a picture and tell a story!

It's time to face up to the reality, coming sooner rather than later, that this new policy will contribute to shifting the county's operating and infrastructure costs more directly onto current residents. In fact, with the tax increases just approved in Annapolis, county residents should start saving now for the tax bills they will see next spring and summer.

So, folks, fasten your seat belts. As Bette Davis said in "All About Eve," "It's going to be a bumpy ride!"

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