

**Ways and Means Committee**

**February 20, 2020**

**HB 540: State Income and Property Tax Credits – Purple Line Construction Zone**

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My name is Kayleigh Gunnoud and I am the Executive Director of the Takoma Langley Crossroads Development Authority. We are the commercial district management authority for the Takoma Langley Crossroads commercial district in the City of Takoma Park. The Purple Line Takoma/Langley Station will be in the center of our commercial district. Our membership consists of 177 businesses 45 directly along the Purple Line Alignment. The CDA believes the Purple Line is an important addition to our region's transit system offering new connectivity to and from our commercial district. We have long been supportive of the project and we are here today asking the State to support those businesses impacted by the construction of this massive project.

The Crossroads Commercial District is part of Maryland's International Corridor and is home to a diverse portfolio of immigrant owned businesses. These businesses serve an essential role providing ethnic specialty items and services to the neighboring community while serving as a regional hub for such goods and services.

The challenges our businesses have faced during purple line construction are immense. Our commercial district faces some of the worst traffic impacts due to purple line construction. While our commercial district is only a ½ mile wide, commuters frequently experience 20 minute delays to travel through the corridor. This has caused customers to completely avoid the area and many of our businesses report a drop in sales of 40% or more. With over two years left in construction, this has created an untenable new reality for business owners.

The CDA along with the City of Takoma Park is actively working with PLTC to improve traffic conditions in the area. However, this is an ongoing process without a quick fix. In the meantime, consumers are creating new behaviors that avoid the Takoma Langley Crossroads. The CDA is also working with the Latino Economic Development Corporation to provide technical assistance, marketing support, and training to our businesses. However, this only goes so far in assisting a business facing a drastic drop in cash-flow. That is where the financial support provided in this legislation comes in, complementing the technical support services currently being provided along the Purple Line corridor and creating a system that successfully retains Maryland businesses during and after Purple Line construction.

Our organization has existed since 1987. Many of our businesses have operated in the Takoma Langley Crossroads for over 20 years and have a demonstrated record of successfully operating a business and navigating common business challenges. Construction of the Purple Line has brought unprecedented impacts on our business market and now many of our business owners are worried that without financial support, this may be the end of the line for their business. Large scale business closures does not correspond with the promise of economic benefits made by the State of Maryland when proposing the Purple Line nor is it the legacy anyone wants to see for this project.

We strongly urge favorable consideration of HB0540.