MCPB
Item No. 5
Date: 02/27/2020

Briefing: Preserving the Community Value of Ethnically Diverse Retail in Long Branch

Caroline McCarthy, Chief, Research & Special Projects, Caroline.McCarthy@montgomeryplanning.org, 301-495-4506

Graduate students at the University of Maryland (UMD) will brief the Planning Board on findings from their study of strategies and tools to preserve and enhance retail in ethnically diverse communities. The Montgomery County Planning Department, through its partnership with the UMD National Center for Smart Growth, commissioned this project from the university's Partnership for Action Learning in Sustainability (PALS). PALS works with local jurisdictions throughout Maryland to identify projects and problems that can be taught through university courses where students focus on developing innovative, research-based solutions.

The enclosed report, *Long Life for Long Branch: Tools to Preserve Independent Retailers,* is the result of a graduate urban planning and studies class initiated under the course heading, "Preserving Community Value of Ethnically Diverse Retailers in Long Branch." Long Branch, Maryland is a neighborhood at the threshold of rapid change with the construction of the Purple Line transit rail. Preserving the community value of businesses ultimately comes down to preserving opportunity for the businesses themselves. Building upon previous studies and ongoing community- and County-led efforts, the course evolved to focus on an inclusive economic development strategy that provides a menu of potential zoning, financing, technical support, and real estate development tools for further consideration to retain and grow Long Branch businesses into the future.

The Research and Special Projects Division is continuing this work in its FY20 work program by studying three additional retail clusters at other locations in the county and refining recommendations for strategies and tools.

Attachment A

a long life for long branch

tools to preserve independent retailers

Carrie Anderson-Watters, Anna Brinley, Will Duggan, Ellen Kortesoja, Lily Murnen, Kari Nye
Supervised by: Bobby Boone, AICP


UNIVERSITY OF MARYLAND
18 56
PALS
RESTAURANT

preface

Through their work with the National Center for Smart Growth at the University of Maryland, the Montgomery County Planning Department commissioned this report from the university's Partnership for Action Learning in Sustainability (PALS). PALS works with local jurisdictions throughout Maryland to identify projects and problems that can be taught through university courses where students focus on developing innovative, research-based solutions. *Long Life for Long Branch: Tools to Preserve Independent Retailers* is the result of a graduate urban planning and studies class initiated under the course heading, "Preserving Community Value of Ethnically Diverse Retailers in Long Branch." Long Branch, Maryland is a neighborhood at the threshold of rapid change with the construction of the Purple Line transit rail. Preserving the community value of businesses ultimately comes down to preserving opportunity for the businesses themselves. Building upon previous studies and ongoing community- and County-led efforts, the course evolved to focus on an inclusive economic development strategy that would make use of zoning, financing, technical support, and real estate development to retain and grow Long Branch businesses into the future.

acknowledgments

We would like to express our deep appreciation for the numerous individuals and organizations that helped shape this project, provided their expertise, and collaboratively envisioned a possible future for the Long Branch business community. We would especially like to thank all of the Long Branch business owners and the Long Branch Business League members who sat down with us for interviews. We thank Javier Rivas, with the Latino Economic Development Center, who facilitated interviews with business owners and offered his insights and expertise. Thank you to Ana Rivera, who hosted us for the CoCreation Session at El Golfo Restaurant. And a thank you to the individuals from numerous organizations, businesses, and governments who participated in the CoCreation Session; our work was enriched by your insights, creativity, and dedication to supporting independent businesses. We would also like to thank the individuals from the following organizations who participated in our interviews: CASA, Montgomery Housing Partnership, Latino Economic Development Center, Purple Line Corridor Coalition, Montgomery County Small Business Navigator, Northern Gateway Community Development Corporation, M-NCPPC Montgomery County Planning Department, Detroit Economic Growth Corporation, and many more.

Ada Villatoro

Alonzo Washington

Ana Rivera

Art Cobb

Bruce Baker

Carlos Perozo

Carrie McCarthy

Chrishaun Smith

Damon Orobona

Daniel Koroma

Eddy Campos-Molina

Gerrit Knaap

Harold Pettigrew

Ilana Preuss

Javier Rivas

John Angel

John Brill

John Marcolin

Judy Stephenson

Julio Murillo

Kim Ross

Luis Gonzalez

Marla Bilonick

Matthew Hopkins

Melissa Williams

Morgan Wortham

Nick Finio

Nohely Alvarez

Paul Grenier

Reemberto Rodriguez

Steve Brigham

Tina Benjamin

Valecia Wilson

This page intentionally left blank.

toolkit terminology

Conventionally, “ethnic retail” is a specific classification for businesses that maintain retail streams of revenue within one “ethnic” community.[1] Often, “ethnic retail” fills a consumer gap for first- and second-generation immigrants seeking products from their culture of origin. The term is dated but evolving. Particularly in the Washington metropolitan region, “ethnic enclaves” have become more inclusive “ethnoburbs,” where multiple diverse communities have migrated to the suburbs from city centers (see Appendix 5.1.2: Long Branch’s Cultural Assets).[2] In this context, “ethnically diverse retailers” might be understood to be more about non-white business ownership and/or offering goods or services that still target the nonwhite community; yet, by virtue of existing in a more integrated place, these businesses may be patronized just as frequently by co-ethnic residents as by residents with different cultural identities. Meanwhile, the immigrant, nonwhite, and/or multilingual business owners of Long Branch interviewed for this toolkit did not necessarily identify themselves or their clientele as “ethnic,” so the term is too generalized and “othering” to be of great use in the neighborhood context.

The following discussion and terms are based upon an abbreviated literature review and could be further refined. They are presented here to establish the framework used throughout this toolkit to capture what was meant by “ethnically diverse retail centers.” A fuller discussion of relevant research can be found in Appendix 5.5.1: Racial Equity and Defining “Ethnic” in Long Branch.

Businesses **OWNED** by immigrant, Latino, Black, and/or Asian residents

\+

Businesses that **SERVE** immigrant, Latino, Black, and/or Asian residents

minority-owned and/or -serving

Businesses that are owned by or targeted toward residents who identify as only or as some combination of immigrant, Latino, Black, Asian, and some other race. Montgomery County primarily uses the term “people of color” when referring as a group to nonwhite residents. Yet, for the purposes of this report, “people of color” excludes white Hispanic business owners and does not capture all immigrant populations. The phrase also has recently been critiqued for turning plural identities into singular identities and for its erasure of Black identity in particular.[3]

There is plurality among all racial and ethnic groups in Montgomery County today, meaning that no single group on its own is a majority—what is sometimes referred to as “majority-minority” (see Appendix 4: Demographic Analysis). However, to underscore the power differential that benefits white over nonwhite populations, and in part to reflect the County’s equity-focused policy goals and laws, this toolkit primarily uses the phrase “minority-owned and/or minority-serving” when referring to businesses in Long Branch.

diverse

This definition encompasses diversity in terms of race, culture, business ownership, business type, and socioeconomic status. To craft strategies to aid the retail environment in Long Branch in its current form—which has been identified by Montgomery County as culturally and communally significant—the toolkit works to consider the fullest spectrum of backgrounds, perspectives, and needs.

independent retailers

A privately owned, non-franchised business. A small business owner will have complete autonomy over product or services choices due to changing markets, whereas a franchise owner would not. Independently owned businesses are increasingly being forced out of metropolitan areas around the country where commercial rents are increasing, and property owners favor national chains that have higher financial capabilities. Long Branch currently has a strong local, independent business community.

introduction

The Maryland Purple Line project represents an unprecedented opportunity for community and economic development in Montgomery County and neighboring Prince George's County. As a major public transportation investment, the rail promises to strengthen access to jobs, housing, goods, and services, while recasting some Maryland suburbs from auto-oriented and sprawling, to "denser, mixed-use, transit-oriented, and pedestrian-friendly places."[4]

Yet, despite its positive benefits, the rail project also represents a significant challenge for the "culturally rich but economically fragile" communities along the Purple Line corridor. Located between Silver Spring and Langley Park, Long Branch is one such neighborhood where Montgomery County is concerned that the Purple Line's construction disruption, subsequent redevelopment, and increased real estate prices may harm small businesses, the majority of which are owned by Latinx, Black, Asian, and/or immigrant residents.

The Purple Line project is a 16.2-mile light rail transit system that will connect 19 stations, from New Carrollton in Prince George's County to Bethesda in Montgomery County. The system is scheduled to open at the end of 2022.

Today, these vibrant and well-tenanted businesses form the backbone of a neighborhood that is celebrated by residents for its cultural diversity, its proximity to major job centers, and its active community. Retail establishments include restaurants, Latino markets, Ethiopian markets, family bakeries, dry cleaners, laundromats, nail shops, salons, tailors, and more. Ownership reflects the racial and ethnic diversity of the Long Branch residential community, which is 40% foreign-born and where 45% of households speak a language in addition to English at home (see Appendix 4: Demographic Analysis). As expressed by one neighborhood resident, "I think these businesses represent the community. My hope is that they can continue to serve the whole variety of people who [currently] live here."[5]

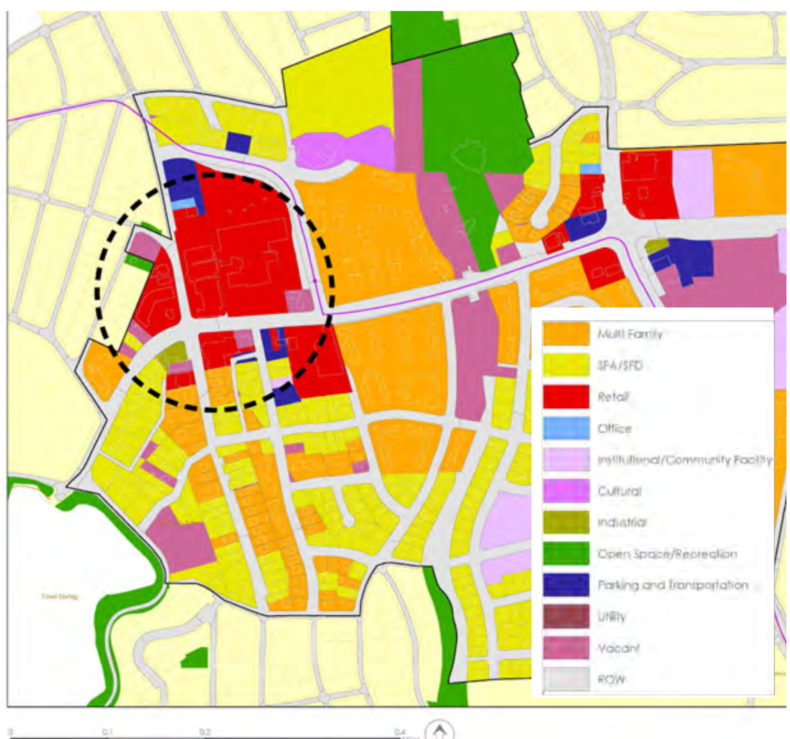
While some local stakeholders who were interviewed are optimistic about the commercial transformations that Purple Line investments might bring, others fear that their businesses will not be able to withstand the unique combination of pressures tied to the rail project, including:

- Long- and short-term disruption from construction of the rail and station
- Increased real estate value and corresponding increases in the cost of commercial rent
- Increased reluctance on the part of landlords to offer secure, long-term leases
- Potential loss of commercial spaces as blocks and buildings are redeveloped
- Potential shift of the customer base if current residents are displaced
- Increased competition with other shopping districts that will be connected by the Purple Line

long branch study area

Montgomery County's *Long Branch Sector Plan,* adopted in 2013, illustrates that the neighborhood is home to two significant retail nodes: 1) Flower Avenue at Piney Branch Road and 2) Piney Branch Road at University Avenue (see Appendix 5: Preliminary Insight Statements). The scope of this project is focused on the approximately 0.25-mile radius that surrounds Flower Avenue and Piney Branch Road—circled in Map 1—and is adjacent to the future Long Branch Purple Line Station. As illustrated in the map, the neighborhood's greatest area of retail-allocated land is contained within this primary commercial center. This node is home to nearly 80 businesses, many of which are independently owned and operated (see Appendix 3: Business Inventory). The Business Inventory also finds that Long Branch businesses have a building condition and storefront condition that can be described as "Good," at 57% and 47% respectively. Ownership records indicate that nearly every business in this commercial node leases their space, which underscores the magnitude of the challenge the commercial center may face as anticipated redevelopment projects continue to raise real estate values and commercial rents.

Map: Long Branch Study Area



The U.S. Census Bureau estimates that across the entirety of Montgomery County, 54% of all retail-sector businesses are owned by a non-Hispanic white person, while 43% are owned by a person of color. However, in the City of Takoma Park—a useful proxy for Long Branch since a slice of the Flower/Piney Branch retail node is part of Takoma Park—minority retail business owners outnumber non-Hispanic white business owners (49% to 45%).[6] This suggests that currently, this area of Montgomery County may be especially friendly to minority and immigrant business owners. In fact, multiple multilingual Long Branch businesses owners were interviewed—Spanish/English, and Korean/Spanish/English speakers—whose ability to serve not only the Salvadoran, Ethiopian, and/or Korean clientele, but also the metropolitan DC population as a whole, is an asset to the County. Altogether, the commercial center at Flower Avenue and Piney Branch Road lives up to its description in the *Long Branch Sector Plan* as both "vibrant and well-used."

Determining just who visits these shops should be of interest to the County. One retailer estimates that 90% of his clientele are Latino; “If they go,” he forewarned, “I go” (see Appendix 7: Interviews with Retailers). Another business owner suggested that she could not possibly pinpoint the race or socioeconomic status of those who patronize her business because “everybody” visits her establishment. The clientele of a third retailer is split between the Latino and the African communities who live near her shop and know her by word of mouth. If forced to sever her Long Branch connection to find more affordable space, this retailer believes she will lose all of her business. At the same time, a Montgomery County planner stated that residents of the neighborhood’s single-family homes—meaning higher income—indicated that they do not often patronize shops in the Long Branch commercial center and are hopeful that the neighborhood might soon find itself with a few “white tablecloth [fine dining]” restaurants.[7] The diverse socioeconomic and demographic mix in Long Branch makes organizing and consensus-building within the community a significant but not insurmountable challenge.

goals of the report

This toolkit works to address these and other challenges in order to support the variety of independent businesses and diverse business ownership in Long Branch. Building on existing programs in Montgomery County, introducing fresh ideas both tested and untested, and incorporating the Racial Equity and Social Justice legislation that was passed by Montgomery County Council in November of 2019, this toolkit proposes a series of tactics that promote social equity and ensure that independent businesses can thrive alongside Purple Line development.

This toolkit is divided into two main sections: primary tools that recommend major programs, policies, and incentives, and supporting tools that could operate on their own as part of a less ambitious economic development agenda. Many of these tools have been deployed successfully in communities throughout the U.S. that are experiencing extreme development pressure, but few of these tools have been well documented in suburban communities that are undergoing urbanization. In fact, as planners, developers, and small business program officers stated, Montgomery County has an unparalleled opportunity to become a national leader in strategies to prevent commercial displacement in urbanizing suburban neighborhoods.[8] Doing so, however, will require more than just a history of progressive decision-making; it will require specific, place-based interventions that prevent small businesses from being saddled with all of the Purple Line project's burdens while experiencing none of its gains. As one Long Branch business owner put it while sharing his dreams for ten years from today: "I'm hoping that we are still here. And I am hoping we will have expanded. But we'll need protections to keep doing business" (see Appendix 7: Interviews with Retailers).

The commercial displacement prevention strategies featured in this toolkit are inspired by case studies of San Francisco, Washington, DC, Oakland, New Orleans, and other urban centers. Wheaton, Maryland offers the only commercial displacement prevention framework researched that is rooted in an urbanizing suburban context. Research demonstrates that commercial displacement in suburban neighborhoods—particularly of immigrant- and minority-owned businesses—is not well understood or accounted for by planners or policymakers; Montgomery County has an opportunity to further this conversation. Refer to a thorough discussion about commercial displacement and community organizing in Wheaton: Lung-Amam, Willow S. (2019). Surviving suburban redevelopment: Resisting the displacement of immigrant-owned small businesses in Wheaton, Maryland.

The Primary Tool Matrix and subsequent tool entries detail the list of major programs, policies, and incentives that the PALS team (with the input of the Client and other stakeholders) deemed most appropriate to pursue in Long Branch, and many county-wide. The Primary Tool Matrix is a guide to the tool entries that begin on page 14. In the Matrix's top row are the Tools identified by the PALS team; each has a full entry in the Toolkit, including definition, need and benefit statement, final recommendations, and case studies. The leftmost column lists the central challenges facing independent retailers in Long Branch, identified through desk research and interviews with retailers and other stakeholders. A highlighted cell in the body of the Matrix indicates that the tool (above) addresses a given challenge (left). For further information on the challenges listed below, see Appendix 5: Preliminary Insight Statements.

challenges

Limited Commercial Affordability Support. There are limited policies, programs, or incentives in place that prioritize affordable commercial space where small, independent businesses can thrive and continue to enrich the Long Branch community.

Increased Costs of Real Estate. In anticipation of the Purple Line, speculation, real estate prices, and rental costs to retailers in Long Branch are already increasing.

Lack of Cultural Diversity Protection. The cultural diversity of small businesses and the clientele they serve is captured but not protected with metrics or policies in the County's planning literature.

Redevelopment Pressures. Aging housing and commercial building stock in Long Branch places it at greater risk of redevelopment.

Displacement by Redevelopment. Regional development pressures mean Long Branch's minority-owned and/or minority-serving retailers are at risk of direct commercial displacement through redevelopment or indirect displacement through the displacement of resident clientele.

Limited Organizing and Consensus Building. The diverse socioeconomic and demographic mix in Long Branch makes organizing and consensus-building within the community a significant challenge.

Limited Business Owner Time, Financial Resources, and English Fluency. Lack of time, lack of resources, language barriers, and lack of County outreach effort often preclude business owners from accessing the political and advocacy processes.

Potential Loss of Physical Character. Redevelopment may undermine the neighborhood's character, sense of place, and existing placemaking efforts.

Exclusive County Funding Eligibility Requirements. The County's parameters to determine eligibility for Small Business Assistance funding are narrow and exclude many small businesses that will be impacted by the County's investment in the Purple Line.

Disadvantageous Independent Business Lease Terms. Short-term leases with unpredictable common area maintenance fees lead to instability and uncertainty, which prevents small businesses from deepening their investments in the community.

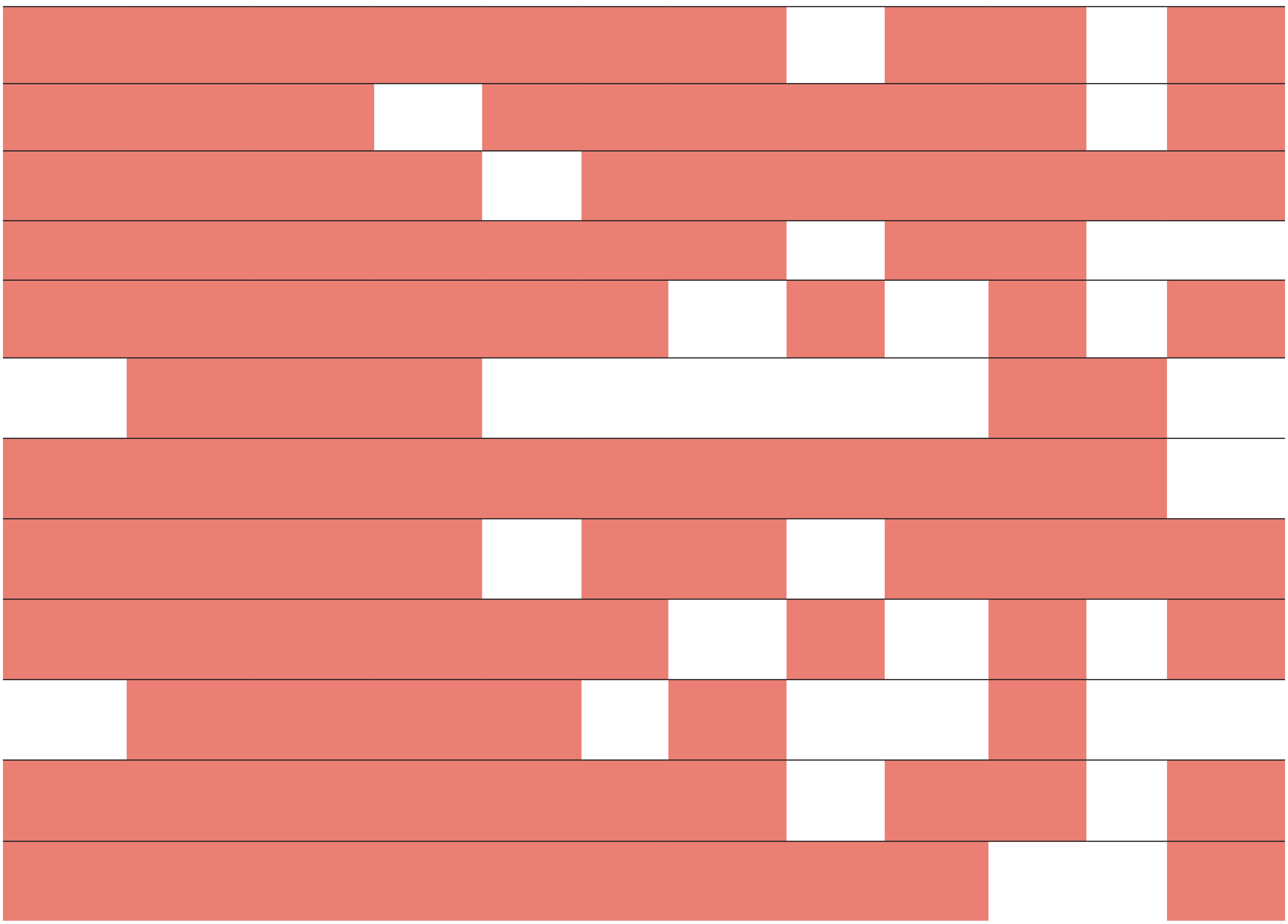
Systematic Tenanting and Financing Barriers. In newly-competitive environments, small businesses seldom win commercial leases or are seldom eligible for loans to relocate, improve, or expand their businesses due to a perceived lack of business stability and credit-worthiness.

Finite Funding and Technical Assistance Opportunities. Retailer capacity to renovate, evolve with changing clientele, manage increased rents, or stay afloat during construction disruption is limited by a lack of or access to funding and technical assistance.

primary tools matrix

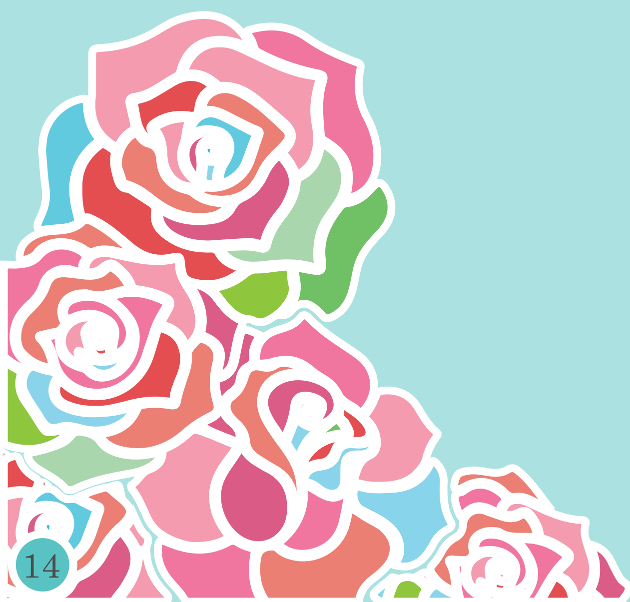
CHALLENGE	NEIGHBORHOOD COMMERCIAL OVERLAY ZONE	COMMERCIAL INCLUSIONARY ZONING	COMMUNITY BENEFITS AGREEMENTS	NEIGHBORHOOD EQUITY COORDINATOR
Limited Commercial Affordability Support	■	■	■	■
Increased Costs of Real Estate	■	■	■	
Lack of Cultural Diversity Protection	■	■	■	■
Redevelopment Pressures		■	■	■
Displacement by Redevelopment	■	■	■	■
Limited Organizing and Consensus Building			■	■
Limited Business Owner Time, Financial Resources, & English Fluency			■	■
Potential Loss of Physical Character	■	■	■	■
Exclusive County Funding Eligibility Requirements				■
Disadvantageous Independent Business Lease Terms			■	■
Systematic Tenanting and Financing Barriers	■	■	■	■
Finite Funding and Technical Assistance Opportunities			■	■

TARGETED SMALL BUSINESS ASSISTANCE					TARGETED FINANCIAL TOOLS						
FOR PURPLE LINE CONSTRUCTION	FOR SOCIAL ENTREPRENEURSHIP	FOR MINORITY- OWNED BUSINESS ASSISTANCE	COMMUNITY IMPROVEMENT DISTRICT	COMMERCIAL TENANT'S BILL OF RIGHTS + LEASING SUPPORT	COUNTY GUARANTOR	MONTHLY TAX BILL ASSESSMENT	LOCAL PROCUREMENT AGREEMENTS	EXPEDITED PERMITTING (FOR RETAILERS)	COMMUNITY LAND TRUSTS	PLACEMAKING EFFORTS	LEGACY OR LANDMARK BUSINESS DESIGNATION



NEIGHBORHOOD COMMERCIAL OVERLAY ZONE

A Neighborhood Commercial Overlay Zone is a finely-grained zoning district that can be applied over Long Branch's base zoning to establish additional standards for redevelopment. To strengthen neighborhood-scale retail, the overlay would build upon the existing optional method for development to incentivize density, while requiring commercial set-asides, square footage maximums, and other elements of site design that can support small business retention and growth.



NEED + BENEFIT

For one restaurateur in Long Branch—and echoed by several more—the Purple Line "could mean the end for us here…It means more stress and lots of uncertainty."[9] In the face of Purple Line construction, a neighborhood commercial overlay zone can incentivize the creation of space for small businesses, ensuring inclusive economic development into the future of Long Branch.

Montgomery County's Commercial/Residential Town (CRT) zoning offers property owners the ability to redevelop at 1.0 FAR with standard method, or up to 3.0 FAR under the optional method, which requires the provision of public benefits in exchange for the increased density. These public benefits, graded on a point system, include amenities such as the provision of public art and public open space design. They also include provisions specifically related to "small business opportunities," such as providing on-site space for a diversity of small, neighborhood-oriented businesses."[10] For projects to "pencil out" in terms of time and money invested, developers in Montgomery County will almost always choose the optional method with CRT zoning since 1.0 FAR does not allow for enough density to recoup investments.[11] Yet, without proactive protections for existing and/or future small businesses, relying on the optional method alone in Long Branch risks a future where the neighborhood is no longer anchored by a minority-owned and/or minority-serving business community.

A neighborhood commercial overlay zone could strengthen opportunities for small businesses by requiring eligible site plans to achieve a certain proportion of incentive points within the "neighborhood services" or "small business opportunities" categories; it could also expand incentive points to include options such as offering long-term leases to current businesses or developing business retention plans. Additionally, an overlay zone could implement policies that are recommended throughout this toolkit, such as commercial inclusionary zoning or community benefits agreements (see Tools: Commercial Inclusionary Zoning and Community Benefits Agreements) Montgomery County has committed to strengthening small businesses countywide, and the CRT zone goes a long way toward giving developers and the Planning Commission tools to support a diverse business community. With an overlay zone, additional options for small business opportunities, as well as new requirements about the proportion of incentives points per benefits category, could support the continued health of small, independent business in Long Branch.

Establish a neighborhood commercial overlay zone that builds on an enhanced incentive points system for optional method development. The optional method and overlay zone would work together by requiring developers in the Long Branch neighborhood to achieve a greater proportion of the development incentive points in categories that could directly support the provision of affordable commercial space. Add points to the public benefits grading process for issuing long-term leases to existing businesses and for implementing business retention or relocation (within the same neighborhood) strategies designed to ensure that existing businesses can persist through redevelopment. One example of a retention strategy could be offering right-of-first-refusal on new commercial spaces to small businesses that existed prior to redevelopment. Further reward innovative site plans that provide commercial flex-space or meet an identified need in the neighborhood goods and services category.

Increase flexibility for developers. Bundle and expedite permitting processes for those companies that develop with the optional method in the overlay zone. Saving developers time and money in the entitlement process could further incentivize practices that serve independent business owners.

Increase options for small businesses. Within the overlay zone, explore provisions to limit the consolidation of small store fronts and continue to prioritize the provision of ground-floor commercial space for small businesses that are between 500 and 2,500 square feet. Preserve certain proportions of floor area for affordable commercial use, what's also known as a "set-aside" or what is referred to in this toolkit as Commercial Inclusionary Zoning (See Tool: Commercial Inclusionary Zoning), since it is based on Montgomery County's residential inclusionary zoning benefit. Limit frontage feet available for banks and similar businesses, and limit the ability of two such businesses to adjoin. Similarly, explore provisions to limit exclusively to retail use the first 50 feet of a ground-floor building. Given that the residential units directly above a ground-floor retail establishment are often the most expensive, consider adding retail uses to non-ground-floors as well.

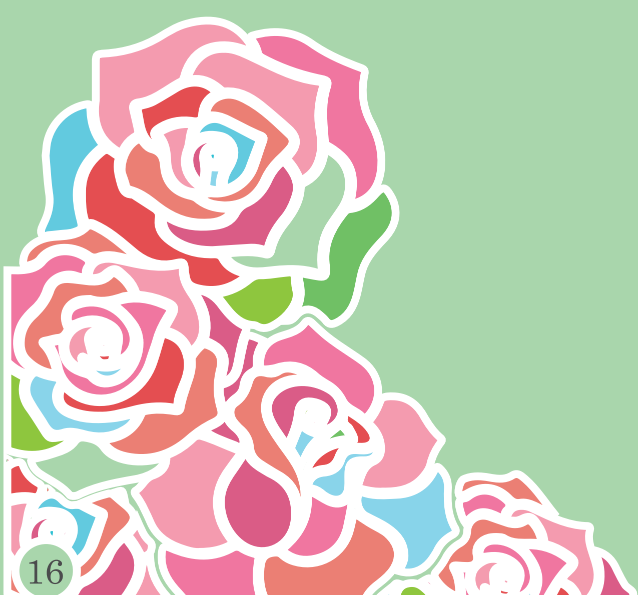
Track equity. Astride a neighborhood commercial overlay zone, Montgomery County should actively report rates of business permit applications, rejections, and approvals by Small, Minority-, and Women-owned status in Long Branch. This could help ensure that the diversity of small business types and ownership statuses continues to reflect—or improves upon—the diversity of Long Branch neighborhood residents.

CASE STUDY: Neighborhood Retail Zone (Arlandria, VA)

Looking beyond Montgomery County, the neighborhood of Arlandria in Alexandria, Virginia, also known is Chirilagua, is a community of low- to moderate-income, primarily Latino (62%) and with a high proportion of foreign-born residents (55%), wedged between higher-income neighborhoods and adjacent to the incoming Amazon HQ2 corporate headquarters in Crystal City. There are high proportions of both commercial and residential renters. Similar to residents of Long Branch, residents of Arlandria are facing skyrocketing real estate prices and the threat of both residential and commercial displacement. Municipal planners there developed a new zoning category—"Neighborhood Retail (Arlandria)"—designed to "strengthen existing commercial uses and attract new complementary business to create a desirable, active urban place with shops, services, and restaurants."[12] This "special zone" requires that certain properties in the community dedicate the first 50 feet of their ground floors—measured from the entrance—exclusively to retail uses while some uses require special permits and several, such as check-cashing, pawnshops, and automobile repair, are designated incompatible. As one Arlandria planner summarized, "You can't change the market, and you can't change economics. The zoning and special use permits allow us to consider whether the impacts of development are being sufficiently addressed."[13]

COMMERCIAL INCLUSIONARY ZONING

Commercial inclusionary zoning (CIZ) is a land-use and economic development technique that requires redevelopment to include a certain proportion of below-market-rate commercial spaces at a variety of sizes. The zoning could be wielded in tandem with set-asides that favor the needs of minority-owned and/or minority-serving, independent businesses.



NEED + BENEFIT

Small business tenants in commercial spaces are facing increasing pressures to finding affordable space. Speculative run-up in real estate prices, growing popularity of urban areas, and a declining supply of suitable small spaces all contribute to this pressure.[14] Changing market forces can quickly displace businesses that are anchor institutions in a community. In the same way that affordable housing is prioritized as public good increasing social equity, small business ownership and retention have been noted to accomplish the same goals.

A significant proportion of commercially zoned parcels in Long Branch are vacant and designated as ready for redevelopment and future retail use within the current *Long Branch Sector Plan*.[15] This redevelopment area provides opportunities for increased density in future development.

There is an existing community benefits structure in Montgomery County that operates on a point system, and includes small business opportunities. These guidelines allow increased developer density opportunities if the project provides retail bays of no more than 5,000 square feet for at least three small business on sites of more than one acre with all of the commercial spaces on smaller sites.[16] This limited scope does not capture the needs of micro-retail and creates an opportunity to a supplemental program that directly seeks to ensure small business occupancy in Long Branch.

The benefits of independent business character is often miscommunicated to the development community. According to the Institute for Local Self Reliance, name-brand retail and commercial development does not equate to better economic development. In fact, national chains can homogenize once-vibrant downtowns.[17] The previous retail trend of “vanilla mixed-use” in which ground floor retail is completely occupied by national chains has become outdated.[18] Developers have an opportunity for additional financial gain when prioritizing a community’s existing character and encouraging the independent small business community to flourish.

The goal of commercial inclusionary zoning is to showcase this opportunity to the development community and to protect and increase the supply of small, affordable, diverse commercial retail spaces. Also, CIZs can help to ensure that a variety of commercial sizes exists by discouraging the consolidation of multiple, smaller ground-floor retail spaces into a few larger spaces.

Ensure the existence of a diverse business ecosystem. Similar to MPDU inclusionary zoning and the creation of mixed-income communities, commercial inclusionary zoning would support a diverse business community in Long Branch, in part by ensuring business owners have access to below-market rent retail spaces. Commercial inclusionary zoning could mandate the proportion of below-market spaces required; the type and combination of below-market retail spaces required; and/or the sizes of below-market retail spaces provided. The objective is to make sure that minority-owned and/or minority-serving independent businesses can continue to participate by catering spaces and costs to their needs.

Build in flexibility for developers. Stakeholders at the CoCreation Session expressed that adequate incentives, possibly in the form of density bonuses or a revised public benefit grading system, would be necessary to encourage developers. Enhancing incentives for the optional method for development is possible. See Tool: Neighborhood Commercial Overlay Zone, for more details about implementation options. A well-developed CIZ program could also include limits on the length of rent control period or developer buyout conditions—funding from which could be siphoned to support existing businesses through the Small Business Assistance Program (See Tool: Targeted Small Business Assistance).

Build in added support for minority-owned and/or minority-serving business. Commercial inclusionary zoning could include set-asides targeted to minority-owned and/or minority-serving independent businesses in new development. For example, CIZ could require a certain proportion of ground-floor retail be occupied by minority-owned and/or minority-serving, independent businesses, or as with Portland, OR, ensure that such businesses have access to below-market rents.

CASE STUDY: MPDU Policy (Montgomery County, MD)

CoCreation Session participants recommended modeling a CIZ policy on Montgomery County's existing Moderately Priced Dwelling Unit (MPDU) policy. This policy is built upon the idea that affordable housing should be available to people of all incomes. It requires that between 12.5% and 15% of the houses in new subdivisions of 20 or more units be moderately priced.[19] The provision also requires that 40% of the MPDUs are offered through non-profit housing agencies and available to low- to moderate-income households. The MPDU policy is widely recognized for its positive contributions to the region's affordable housing stock; several case studies suggest that similar success in the commercial arena is possible.

CASE STUDY: Neighborhood Retail Preservation Zone (New York, NY)

In Brooklyn, the Neighborhood Retail Preservation pilot program was launched in East New York. Through zoning measures, this program requires redevelopment sites that receive over $2 million in city subsidies include 10,000 square feet of commercial space set asides, and the lesser of 20% or 5,000 square feet of that space for locally owned businesses, and offer leases to those businesses at 30% below market rate.[20]

CASE STUDY: Affordable Commercial Tenanting Program (Portland, OR)

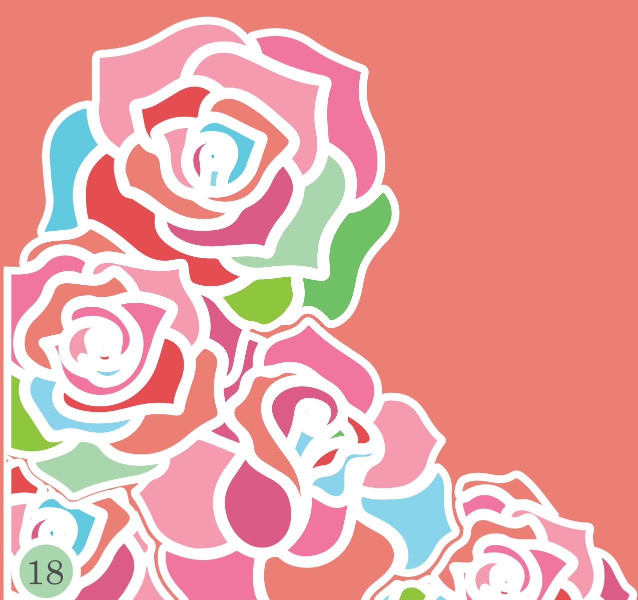
Through Portland's Affordable Commercial Tenanting Program, businesses that are owned by underrepresented groups and that meet neighborhood needs can lease space for below market rents. The program offers tenants rents that are 10% below market-rate. The application into the program ensures that selected businesses provide goods and services to the community and further the program's social equity goals.[21] Tenants may also qualify for additional incentives, like a grant to assist with renovations or build-out of the space.[22]

CASE STUDY: Central Square Rezoning (Cambridge, MA)

The Cambridge City Council approved a zoning change in 2017, which aims to bring more affordable housing into Central Square—a trendy downtown area in Cambridge. In addition to density bonuses in return for providing more affordable housing, the new zoning specifies that retail spaces less than 1,500 square feet are not counted toward the building's floor area ratio.[23] The measure also puts heavy restrictions on whether and how many national chains are allowed in the redevelopment. Additionally, banks and financial institutions cannot have a storefront longer than 25 feet, or 30% of the building's total sidewalk/street frontage.[24]

COMMUNITY BENEFITS AGREEMENTS

A community benefits agreement is a signed contract between community groups and a real estate developer that details specific public amenities, benefits, and/or mitigation that the developer must implement along with the proposed development. The contract is typically negotiated as part of the development review process and relies opportunities for public comment and consensus building.



NEED + BENEFIT

Along with increased foot traffic and perhaps a wider customer base, independent businesses in Long Branch face rising commercial rents, construction-related disruptions, and displacement of their sustaining clientele. Many are at risk of eviction or non-renewal of their leases[25] because commercial property owners are planning to sell or redevelop their buildings. More troubling still, rising housing costs in the area may force low- and moderate-income residents to move elsewhere, drastically reducing demand for some retailers products and services.[26] These retailers typically work long hours, and many are not native English speakers (See Appendix 4: Demographic Analysis). They have little capacity to research legal protections and support programs for small businesses, or to attend business association and County meetings at which community input is requested and policy decisions are made.[27]

A Community Benefits Agreement (CBA) can help ensure that current residents and business owners benefit from the increases in land price that follow redevelopment around amenities like the Purple Line.[28] A well-executed CBA holds the developer accountable to the existing community and municipality, and is an incentive to create space for community organizing and generate community buy-in for a project prior to construction.

A community benefits agreement can be municipally mandated by a local community benefits ordinance—a law delineating all the elements and linkages that the local government requires a developer to address in the final agreement.[29] The local government can also incentivize community benefits agreements in exchange for a greater floor area ratio or other desirable conditions. Alternatively, community benefits agreements can arise from the community itself and be negotiated directly with the developer, usually through intensive community organizing.

Regardless of origin, the agreement's terms might include a given percentage of small or affordable retail spaces, new or improved public parks, funding for job training and workforce development programs, affordable housing unit quotas, and construction-related loss mitigation, among others.[30]

A CBA is particularly effective if the municipality withholds permits or other incentives from the developer until the contract is signed by all parties. CBAs that result from a community benefits ordinance are subject to *Nollan v. California Coastal Commission* (1987) and *Dolan v. City of Tigard* (1994), which require a nexus and proportionality between the concessions the government is seeking and the proposed development's impact.

Stakeholders at the November 2019 CoCreation Session in Long Branch felt that a community benefits ordinance encompassing the entire Purple Line corridor would require significant and unlikely political support. Still, they felt that a CBA pilot program for a single redevelopment project in the Long Branch neighborhood could demonstrate the organizing power that a stronger community benefits ordinance could offer.

Add community benefits agreements to the list of public benefits incentivized by the County's optional method for development. Expand the incentive points system for evaluating optional method development in a CRT zone to encourage community benefits agreements with expedited permitting, density bonuses, or other motivators.[31] This could incentivize developers to engage and incorporate community concerns into their projects. In turn, providing a CBA would benefit developers by creating genuine public consensus and support for their projects. CBAs create a crucial window of time for the community to organize and define their own priorities related to new construction.

In Long Branch, the community can use this time to devise solutions that address the challenges facing independent businesses in the vibrant Long Branch neighborhood. Currently, incentive points for optional method development are evaluated against the County's master plan priorities. Adding a CBA element would ultimately create a greater sense of ownership among Long Branch's independent businesses and the broader community.

Currently, the CRT zone optional method development awards up to 20 points to developers who include "on-site space for small, neighborhood-oriented businesses."[32] These points are awarded based on the number of retail bays created that are less than 5,000 square feet in area, relative to the full acreage of the development. Points are also awarded if the small business opportunities created are prioritized in the County's active master plan. Neighborhood-serving businesses are also incentivized in the CRT zone with points available for projects that add retail bays for qualified basic neighborhood services—banks, cafes, convenience stores, hair care services, etc.—and extra points for basic services that are small businesses. Additional incentive points for developers who agree to CBAs, especially those that prioritize the independent small business community, would strengthen that community's voice in development plans, and help strengthen community support for the project—an important benefit for developers.

CASE STUDY: Union United Coalition (Somerville, MA)

In Boston suburb Somerville, MA, the Union United coalition and developer US2 negotiated a community benefits agreement aimed at preventing residential and commercial displacement due to redevelopment at a new MBTA Green Line station. From 2012 to 2019, residents and retailers in the affected neighborhood partnered with the Somerville Community Development Corporation and local neighborhood council to build the Union United coalition. The coalition engaged those at risk of displacement, organized stakeholders to define priorities for the neighborhood's future, and exerted political pressure on master developer US2 to complete the agreement.

According to the resulting CBA, US2 must provide benefits that support the small business community:

- Wages and benefits for a local staff person to help small businesses navigate municipal processes: permitting, lease negotiation, business plan development, and achieving High Road Employer status with the American Sustainable Business Council
- Good faith assistance for existing businesses to relocate during construction, including $25 per square foot in relocation assistance
- Signage and cosmetic improvements to commercial buildings to mitigate construction disruption
- Construction Impact Mitigation Task Force between community and developer to discuss and collaborate on ways to mitigate construction impacts on local businesses.

US2 must also implement:

- 90 affordable housing units, $1,480,000 in housing linkage fees, 3.5 acres additional public park space, 70,000 sq. ft. arts and creative enterprise space
- Inclusion of unionized contractors and subcontractors in all construction bids
- Hiring of a Community and Workforce Officer
- LEED sustainability standards for new construction

Support the formation of a neighborhood advisory council. To facilitate negotiation of a community benefits agreement through the optional method of development, the County should support the formation of a neighborhood advisory council to represent the interests of the impacted area, and provide guidelines for public engagement that include special consideration for outreach to small business owners with limited time and resources to participate in typical County meetings and processes.

Create community benefits terms that align with the community's and developer's interests. A CBA should be aimed at benefiting the community in Long Branch by encouraging development to support community interests. It should not be so strong as to be punitive to development. Terms of a community benefits agreement that would support Long Branch's existing independent businesses could include:

- Workforce training for independent businesses whose businesses will be eliminated through development
- Support for businesses affected by construction disruption
- Support for existing independent businesses via Long Branch promotional materials, signage, and Purple Line-branded shopping/dining deals
- In new construction, a variety of retail spaces appropriate for independent businesses
- Signage and cosmetic improvements to commercial buildings to mitigate construction disruption.
- Resident Employment Plan to ensure the developer hires and procures goods from as many Long Branch residents and commercial workers as possible
- Per-square-foot relocation or marketing subsidies for businesses impacted by construction

Require the facilitation of an intentionally inclusive public engagement process. To genuinely reflect the community's priorities and ensure that the benefits of development are driven to a broad range of stakeholders—especially independent businesses, the County's community benefits agreement incentive stipulations should facilitate an intentionally inclusive public engagement process. Steps should be taken to avoid creating public engagement processes that disproportionately advantage Long Branch's wealthier single-family homeowners over independent businesses and lower-income renters in the neighborhood. Similarly, CBA stipulations should avoid language that supports only businesses perceived to be stable enough to afford the higher rents expected in new construction first-floor retail space.

CASE STUDY: Community Benefits Ordinance (Detroit, MI)

Detroit's Community Benefits Ordinance is triggered when a development project is $75 million or more in value, and received $1 million or more in either property tax abatements and/or value of city land sale or transfer. First, the City Planning Department reviews the project's scope and impact area. The community, Planning Department, At-Large Council Members, and the local District Council Member select a nine-member Neighborhood Advisory Council of residents from the impacted area. Over three months, the City holds community meetings to determine the project impact, and define public benefits then incorporated into the final development agreement. The City Council approves the agreement and creates a corresponding Memorandum of Understanding with the primary developer.

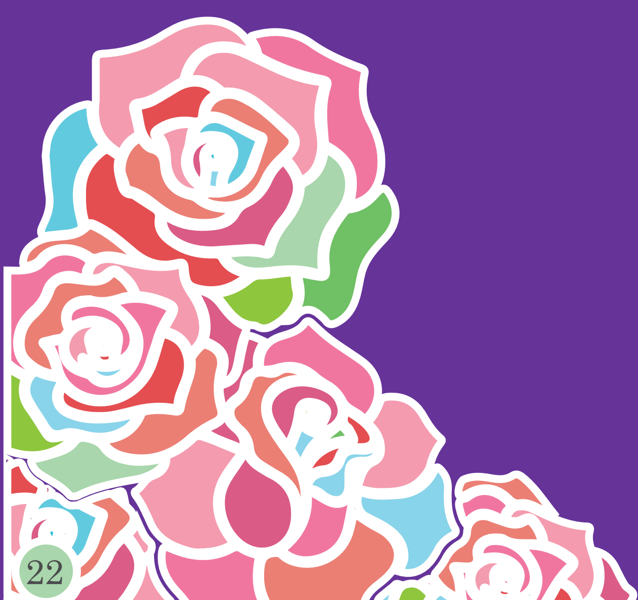
Since enacting the Community Benefits Ordinance in 2016, the City has undertaken CBAs on eleven projects. A CBA related to a new practice facility for the Detroit Pistons basketball team included the following benefits:

- $2.5 million for 60 outdoor basketball courts in Detroit
- $100,000 to Detroit Employment Solutions Corporation for workforce training
- Developer created a Resident Employment plan to ensure the facility hires Detroiters as possible
- $100K,000 annually for 6 years to a Detroit youth nonprofit + placing youth in jobs in the Pistons organization
- Free community access to the practice facility, including to at least ONE Pistons practice a year
- At least two youth basketball programs per year
- 20,000 free tickets per season through the City for residents and youth
- Continuation of a Neighborhood Advisory Committee to facilitate community engagement

Photo: Montgomery County Planning Department

NEIGHBORHOOD EQUITY COORDINATORS

A Neighborhood Equity Coordinator seeks to coordinate efforts by existing organizations, provide direct connections between independent businesses and the County, and provide targeted financial, technical, and organizational resource communication and allocation that underscores the importance of the County's small, independent, minority-owned businesses.



NEED + BENEFIT

Multiple stakeholder interviews concluded that current communication of small business resources is not adequate and that the awareness of the Purple Line is low.[33] While the County has a Small Business Navigator and several Business Liaison Officers, the staff and financial resources allocated to this office are not able to fully address the challenges present in Long Branch and other communities. For example, while the County has access to interpreters, there are currently no Spanish-speaking staff and Google Translate is the primary tool used to provide multilingual access.[34]

From multiple stakeholder interviews, it is apparent that many organizations have a stake in Long Branch and are working to support small business through technical assistance, mediation, and funding.[35] However, efforts are not fully coordinated and representatives from two organizations mentioned hope for more collaboration from the County or another non-profit organization to do the full-time work of consolidating community efforts and communication among stakeholders.[36] A Neighborhood Equity Coordinator funded by the County could provide the much-needed organizational leadership for existing stakeholders in Long Branch (LEDC, MHP, CASA, Long Branch Business League, Small Business Navigator), and could work closely with the Long Branch Business League to bolster membership—or assist in the formation of a Community Improvement District should the community chose to form one (see Tool: Community Improvement District).

The Small Business Navigator has acknowledged that there is a power imbalance—property owners and larger companies have better resources and more influence than independent business—but that the County usually cannot act as an intermediary between two free-market entities.[37] This tool helps to rebalance power; while national chains and larger companies have the advantage of being able to hire people to advocate on their behalf, independent businesses can benefit from a Neighborhood Equity Coordinator.[38] A developer, community lender, and leader of an existing organization in Long Branch have emphasized the crucial need for improved community organizing to create a cohesive vision and voice to speak on behalf of the community's best interests. The County government could play an important role in advocating for local, independent businesses by creating Neighborhood Equity Coordinators, and the newly-passed Montgomery County Racial Equity and Social Justice legislation provides a unique opportunity for the County to level the playing field for independent, minority-owned and/or -serving businesses.

Determine structure and parent department. Neighborhood Equity Coordinators should be considered an important tool to support independent businesses' organizing efforts, forward social equity goals, and bolster existing County programs. Based on the function these coordinators could serve, the County should determine which department of County Government should oversee the program. The Small Business Navigator, Office of the County Executive, or the newly-created Office of Racial Equity and Social Justice might oversee it.

Determine the role of Neighborhood Equity Coordinator. The County should consider creating a task force of different County offices and community leaders to determine the roles and responsibilities of this position. The focus could be on local, independent businesses (like the Detroit Business Liaisons) or on all aspects of social equity (like Boston's Neighborhood Coordinators). Another option could be to expand the Small Business Navigator to provide a Neighborhood Equity Coordinator to targeted redevelopment areas. Or, the position could be formed out of a non-profit partnership (like the NYC 360 Fellows) where an individual from a community organization acts as the Coordinator for their neighborhood--coordinating with the County directly, maintaining an office in the community, and receiving funding from the County.

Consider scaling the program. Neighborhood Equity Coordinators would help consolidate efforts with existing organizations on the ground, establish an office in the targeted neighborhoods where the Neighborhood Equity Coordinator and support staff could be physically located, and coordinate community meetings and information communication. The County should seriously consider funding a team of Neighborhood Equity Coordinators who can promote existing programs and social equity at the neighborhood level across the county.

CASE STUDY: Detroit Business District Liaisons (Detroit, MI)

Detroit Business Liaisons (DBL) are employees of the Detroit Economic Growth Partnership, but work in close partnership with the Mayor's Office, City Council, and other entrepreneurial support organizations in Detroit.[39] A DBL exists for each district in the city. DBLs help business owners navigate city resources, such as permitting and licensing, and connect business owners with capital resources, support services, and other city-wide programs. The DBLs also collect information about challenges for businesses in their districts and use this to inform policy and improved programming.

CASE STUDY: Neighborhood Coordinators (Boston, MA)

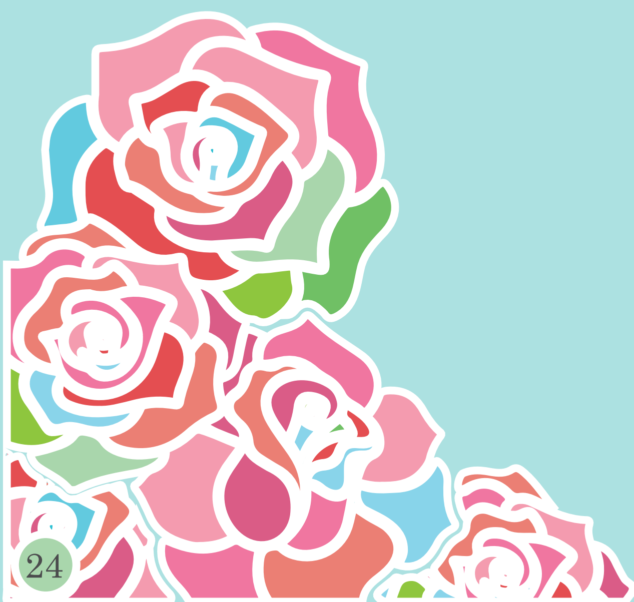
Boston's Neighborhood Coordinators are members of the Mayor's Office of Neighborhood Services who work as liaisons between the Mayor and city neighborhoods.[40] Each Neighborhood Coordinator has offices in their respective neighborhoods and works to meet with residents and business owners on an individual basis. "The overall goal is to have residents feel more comfortable working with the City, more information being shared, and hopefully more issues resolved. We want to enhance the delivery of City services and facilitate communication and information sharing." [41]

CASE STUDY: 360° Fellows (New York, NY)

The City of New York's Neighborhood 360° Fellows "help community-based organizations complete commercial revitalization projects and connect local stakeholders to City resources."[42] Fellows are paid by NYC's Small Business Services and are "full-time community development professionals, community organizers, or planners." The program's goals are to increase the capacity of community-based organizations; establish connections among businesses, neighborhoods, and the City; and build a network of leaders. Areas that can apply to receive a Fellow consist of Business Improvement Districts, local development corporations, merchants associations, and other organizations that implement commercial revitalization projects. Fellows undergo an application process that requires them to be a resident of the city and have "one or more year(s) of community outreach, organizing, and/or planning experience."planning experience."

TARGETED SMALL BUSINESS ASSISTANCE

Targeted small business assistance provides resources and incentives to particular kinds of local, independent businesses. This tool presents three main business assistance programs—for Purple Line construction, for minority-owned businesses, and for social entrepreneurship—intended to mitigate negative physical and social externalities and to quantify and reward positive social impacts of independent businesses.



NEED + BENEFIT

The current Montgomery County Small Business Assistance Program (SBAP) provides up to $75,000 of assistance for qualifying small businesses that have been adversely affected by a County redevelopment project.[43] To qualify, a small business must participate in a technical assistance program, demonstrate adverse effects from redevelopment projects, and demonstrate that the business is making a profit. Demonstrable profit is the key definition of a "Financially Healthy Small Business," and those businesses can receive priority consideration for financial assistance.[44] This definition of a "Financially Healthy Small Business" is limited, and the documentation required to qualify for the assistance program can be a significant roadblock for many small businesses. Furthermore, the program's focus on mitigating the adverse impacts of construction—while important—is a narrow definition of small business assistance. Many new programs could—and should—be created to help address additional small businesses challenges—such as particular challenges facing minority and social entrepreneurs.

In Long Branch, Purple Line construction presents a challenge for independent businesses, and a unique opportunity to expand the current Small Business Assistance Program. Construction complicates a customer's ability to reach a small business. Businesses see reduced sales, and this can have long term consequences for small businesses who rely on steady revenue to stay in business.[45] In Montgomery County, the Small Business Navigator stated that one of the most important issues affecting small business in Long Branch and along the Purple Line is how people will get to those businesses during and after construction.[46] A targeted Small Business Assistance Program for Purple Line Construction would mitigate some of the adverse effects for Long Branch businesses, and provide relief for small, independent businesses along the entire corridor.

Long Branch businesses, and independent businesses like them, provide many benefits for a community beyond their ability to be profitable. This social value is often unaccounted for when defining "successful" business (see Appendix 5.3.9: Defining "Healthy" Business) One laundromat in Long Branch that closed its doors in Spring 2019 provided meaningful community programming for children and families—running after-school art programs and organizing neighborhood festivals and events.[47] According to one Long Branch Business League member, "everyone loved to go to [that] laundromat, and the owner is a beloved member of the community."[48] However, increased costs and poor initial lease negotiation put this business at a disadvantage with its competitors. A Small Business Assistance Program for Social Entrepreneurship would work to represent and reward the full value of local, independent businesses. It could help businesses like this laundromat get back on their feet and continue to provide invaluable social and tangible benefits to local communities.

Long Branch businesses also face challenges unique to minority- and immigrant-owned businesses. With "more than 4.1 million minority-owned businesses, [these businesses] are the fastest growing business sector of the U.S. economy."[49] Yet, "minority-owned firms are much less likely to be approved for small business loans than white-owned firms. And, if they do get approved, minority-owned firms are more likely to receive lower amounts and higher interest rates."[50] The recently-passed Montgomery County legislation for Racial Equity and Social Justice provides an important opportunity for the creation of a Minority-Owned Business Assistance Program. While there is an MFD-Owned Business Program that focuses on County procurement requirements for minority-, female-, disabled-owned businesses,[51] a Minority-Owned Business Assistance Program would focus on the creation of a new funding program that would offer targeted assistance to minority-owned, independent businesses and play a direct role in addressing disparate economic outcomes based on race or ethnicity in Montgomery County.[52]

CASE STUDY: Rainier Valley Community Development Fund (Seattle, WA)

In the mid-1990s, 72% of 300 businesses in the proposed light rail corridor in Seattle were minority-owned.[53] The $50-million Rainier Valley Community Development Fund (CDF) was created to address construction and long-term impacts of the light rail project. "The CDF was largely funded by the City of Seattle, which contributed $35 million of Community Development Block Grants (CDBG) over seven years and $7.8 million from the general fund. King County and Sound Transit combined contributed the remaining $7.2 million from their general funds." About half of the funds were used for mitigation assistance (both grants and loans), and the other half were used for long term investments in community development. Only businesses along the main corridor were eligible for these products.

CASE STUDY: Minority-Owned Businesses, Transportation Department Certification, and Community Wealth

Most minority-owned business programs require a business to become certified as minority-owned. Many certification programs around the country are offered through state Departments of Transportation.[54] These certifications are required to be eligible for government procurement practices that require government offices to set aside a certain number of contracts for minority- or women-owned businesses. However, this review found no literature for minority-owned business assistance programs that provide grants and loans specifically to minority-owned businesses. Montgomery County could be a leader in racial equity through specific policies to help communities of color build wealth, and a specific financial support program for minority-owned business could be a tangible step. Historically, many communities of color had thriving business communities before policies of redlining and slum clearance.[55] Governments around the country are grappling with the need to reverse these histories of oppression.

Create grant and forgivable loan programs to support small business activity. Targeted small business assistance programs should be considered viable short- and long-term tools to mitigate negative impacts of Purple Line construction and reward the positive social impacts of independent businesses that are often unrecognized. For all of these programs, the County should consider offering grants and forgivable loans instead of promoting traditional loans. Qualifications for the funds should incorporate the positive social impacts independent businesses provide for the community beyond the metric of profit.

Expand eligibility requirements for the Small Business Assistance Program (SBAP). The current SBAP for the Wheaton Redevelopment Project sets a precedent for a similar assistance program for Purple Line development. However, the current SBAP definition of a “successful business” (based on profit) presents a challenge for businesses who may not have the complete financial records to qualify. An additional challenge to expanding this program to Purple Line development is that it is a State development project, not just a County development project. The County should consider redefining how businesses qualify for construction mitigation funding—perhaps simply offering some level of assistance to every business in the corridor.

CASE STUDY: Solar Investment Tax Credit (IRS)

The idea for Small Business Assistance Program for Social Entrepreneurship grew, in part, out of grants and tax incentives for businesses to switch to renewable energy. For example, the federal Solar Investment Tax Credit provides a 30% tax credit for residential and commercial properties that implement solar energy systems.[56] These renewable energy programs encourage and reward businesses and individuals who undertake the socially beneficial task of reducing greenhouse gas emissions through alternative energy and energy efficiency. This could provide a similar model for socially beneficial programs undertaken by independent businesses.

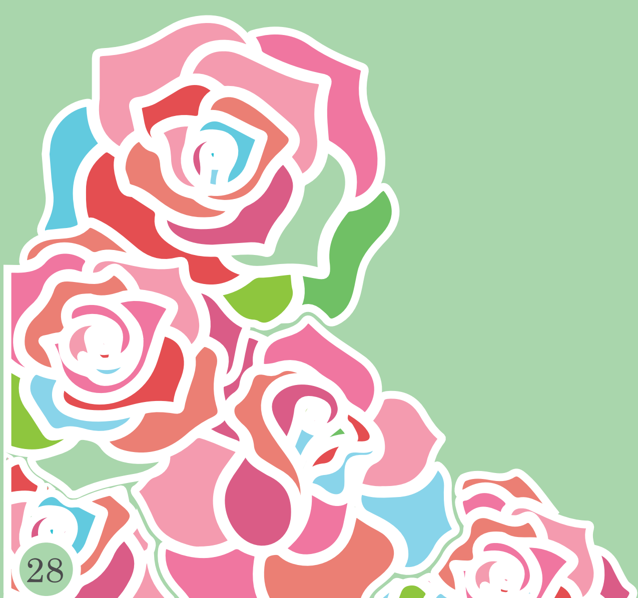
Explore ways to expand existing programs to apply specifically to Purple Line construction. The County should consider refining the definition of a County development project. For example, the Montgomery County Impact Assessment Fund is a similar program to SBAP that provides up to $25,000 to a small business adversely impacted by County development. However, this program includes a broader definition of a County project that includes “a redevelopment project constructed by a private entity for use in whole or in part by the County as a public facility.”[57] The definition could also include a clause about state-partnered projects, or a new program could be created for the Purple Line development. The County could also engage the State to provide a portion of the funding, as the Purple Line is a state project.

Create programs specifically targeted to minority and social entrepreneurs. The County has a unique opportunity to pioneer a Minority-Owned Business Assistance Program and a Small Business Assistance Program for Social Entrepreneurship. The County should consider the positive externalities that are not accounted for in grant and loan awarding, and work to capture and reward the full value of local, independent businesses. Without these invested, family-, and locally-owned businesses, communities like Long Branch lose their identities—the special quality that makes people want to frequent those businesses and call that place home.


ZP TAX
ZP TAX
ZP TAX
CUSTOM TAILOR SHOP
WEDDING GOWN
CUSTOM TAILOR
ALTERATION
ECO-FRIENDLY
ZP TAX
CUSTOMER AND TENANT PARKING ONLY
NO WALK-OFFS
NO COMMERCIAL VEHICLES.
NO VEHICLE FOR SALE SIGNS,
TOWING FOR FIRE LANES,
HANDICAP SPACES, TAKING UP
TWO SPACES, PARKED OTHER
THAN A MARKED SPACE, DOUBLE
PARKED OR BLOCKING OTHER
VEHICLES, PARKED ON GRASS,
EXPIRED OR NO TAGS, OR
ABANDONED VEHICLES ON
PROPERTY WILL BE TOWED AT
OWNER'S RISK AND EXPENSE
STRICTLY ENFORCED 24/7
IF TOWED CALL HENRY'S WRECKER SERVICE

COMMUNITY IMPROVEMENT DISTRICT

A Community Improvement District (CID), similar to a Business Improvement District (BID), utilizes self-imposed tax revenues to provide mutually beneficial public services to businesses and property owners within a specified geographic area.[58] CID leadership (a non-profit comprised of business and property owners within the geographic area) administers infrastructure improvements, traffic mitigation, security, and the creation of parks, public spaces, and pedestrian corridors.[59]



NEED + BENEFIT

The need for a formal, community, and business organizing body was mentioned by business owners and other Long Branch Business League (LBBL) partners during the Long Branch CoCreation session. Political advocacy and improved organizing capacity could specifically enhance businesses' relationships with property owners and improve communication between County government and local, independent businesses. Community buy-in has significant sway with developers,[60] and CIDs are sanctioned by local government—this would strengthen the community's negotiation power and formalize communication channels.

Furthermore, the Small Business Navigator stated the need to "make storefronts attractive as a way to advertise to the people who are riding right past the businesses [on the Purple Line]," and that "commercial-area marketing and placemaking is going to be really critical."[61] This sentiment was echoed by the LBBL, and business leaders expressed the need for a formal funding distribution system that promotes consistent physical improvements in the community.[62] A CID could offer this formalized method for businesses to organize and for funding to move through the community—doled out with a cohesive vision and provided with a network of assistance for the success of a local business that receives funding.

One business owner described Long Branch as "a very tight-knit community that has been neglected and underserved for years. Just look at the sidewalks, the Library, and the recreation center."[63] This demonstrates the potential for the community to come together to lobby for and create the resources they need to form a unique place with a strong sense of identity. While there are significant challenges to organizing businesses and property owners to form a CID and electing to assess fees on themselves to support a CID, there is potential for the County to create an environment that supports potential efforts with policy and funding. The Small Business Navigator argues that "small businesses will participate in organizing efforts if they understand the value." This may also be an opportunity for the creation of a Neighborhood Equity Coordinator (see Tool: Neighborhood Equity Coordinator).

Explore a Community Improvement District in Long Branch. Community Improvement Districts should be considered a viable option to support independent retail in Long Branch, and the County could have an important role in supporting the community's efforts to formally organize. Within Montgomery County, there are already existing, alternative models to a CID or the State of Maryland BIDs (e.g. Silver Spring Urban District, Takoma/Langley Crossroads Development Authority). The County should consider whether these existing, local models would be useful within the Long Branch business community or whether an alternative model should be used. The crucial component of a CID is the public authorization process that formalizes the CID within the County government (or another jurisdiction). The County should ensure, that, whatever model is used, there is a process that ensures improved communication and representation for the independent business community at the County government level.

Engage property and business owners to explore CID structure and benefits. While there are many benefits to a CID, there are also many challenges to its formation. The two biggest challenges in Long Branch are property ownership and a potential reluctance to self-assess fees. Currently in the County, a "district's creation must be supported by 51 percent of commercial and residential property owners as well as by owners of 51 percent of the assessed value of properties in a defined business area, according to state law."[75] According to the business inventory of Long Branch (see Appendix 3: Business Inventory), 99% of businesses lease their space, highlighting a lack of property ownership among businesses. It may be challenging to get businesses and property owners to find common best-interests and agree to form a CID. If the business community in Long Branch would like to pursue a CID or something similar, the County should consider helping to organize formal efforts for discussion—getting business owners and property owners in the same room. The County should consider that property owners tend to have more negotiating power than business owners and carefully consider how to structure reasonable benefits for all stakeholders. Structuring favorable conditions among multiple parties may require an outside mediator.

Study potential funding structures of a CID. Additional questions with the formation of a CID include how the tax assessment system would work and how the funds would be used. Currently, the Maryland Business Improvement District program is based on self-assessed

CASE STUDY: Business Improvement Districts (Los Angeles, CA)

"The Los Angeles City government has been assisting communities that are interested in forming BIDs by providing a lump sum fund for hiring a consultant who can lead the BID formation process by providing various technical and legal services (e.g. survey the business community, outreach to property owners, collect a required level of petitions and prepare planning documents to submit to the City Council)."[64] This is important support from the City, as forming a BID requires reaching property owners, and engaging absentee landlords. This is a challenge that often prevents the formation of a BID. In addition, "once a BID is established, all property owners or business owners within the delineated BID area pay assessment fees,"[65] and assessing fees in areas with first-time, immigrant-owned businesses was a significant barrier to forming a BID—as many small businesses are already managing tight budgets.[66] Efforts to create a BID that were initiated from the community-level tended to be more successful than a BID initiated by a government entity.[67] The Los Angeles City government's support helps communities work through the process of envisioning whether a BID is right for their community and what that organization might look like. By creating an environment favorable to BIDs, the City government simply makes it feasible and desirable for business communities to form BIDs.

CASE STUDY: Community Improvement District (MO)

There are two main types of CIDs in Missouri—political subdivisions and not-for-profits—each with varying funding mechanisms.[68] Political subdivision CIDs can "levy property taxes or business license taxes for land or businesses within the district" and CIDs in Kansas City can levy retail sales taxes.[69] Not-for-profit CIDs are funded by district-wide special assessment, rents, fees, and charges for the use of CID property or services, grants, gifts or donations."[70] Both property owners and business owners can be part of either a political subdivision or a not-for-profit CID. However, property owners are the main members, and formation of a BID relies on 50% of property owners' approval.[71] The main difference between these two types of districts is that a political subdivision creates a separate politically-delineated area that is distinct from the municipality, and a Not-For-Profit is organized as a not-for-profit corporation.[72]

property tax. With the current legislation, Montgomery County would need to adhere to this model if forming a BID.[76] However, as demonstrated in the case studies, there are a variety of funding sources for CIDs depending on their purpose and structure. The County has already created Urban Districts with an alternative model to a State BID.[77] The County could consider another alternative model that presents new self-assessment structures and provides some funds or tax benefits to a CID that could make its formation more desirable--especially in low-income, immigrant communities.

Create CID toolkit to assist marketing the opportunity to various stakeholders. From the case study in LA, BIDs tended to be the most successful when they were initiated from the bottom-up. Ultimately, it will be up to the Long Branch independent business community (with some buy-in from property owners) to decide whether to pursue a CID, but the County can provide the vision and resources to help Long Branch decide what that business organization could look like. The County should consider creating a menu of CID options and best practices that could be useful for communities like Long Branch and commit to supporting CIDs structurally and financially.

CASE STUDY: Improvement Districts (NJ)

Improvement Districts in New Jersey provide an alternative example for an organizational and funding structure of community improvement districts. New Jersey Improvement Districts are funded by the municipality or the state. The basic structure is the same as BIDs previously mentioned, but the “assessment, along with other monies from the municipal government is granted to a designated non-profit Downtown Management Corporation (DMC).”[73] The State also manages the Downtown Business Improvement Zone Loan Fund which “is designed to provide long-term, 0% loan funds to DMCs in partnership with their respective municipalities (or municipalities in partnership with their DMCs) to aid with implementation costs” for a range of improvements (e.g. purchasing, leasing, or acquiring land for right of ways; rehabilitating and redeveloping land; installing parking and other public facilities; covering costs of appraisals or other professional services directly related to an improvement.” [74]


WESTERN UNION
ROXANA
FLOWERS & GIFTS
Multiservices
Perfumes
-Joyas
-Western Union
8727
OPEN
tigo
WESTERN UNION
Send / Receive Money
Pay Bills


AQ NAILS
Professional Nail Care
301-495-0304
NAILS
OPEN
NAILS

COMMERCIAL TENANT'S BILL OF RIGHTS + LEASE SUPPORT

A commercial tenant's bill of rights and other leasing support programs can help independent retailers who often do not have the legal expertise, language skills, or time to ensure their longevity in rented space. Tools to support small independent retailers who rent commercial space might also include a model or master lease, pro bono legal and mediation services for independent retailers, and new requirements for increased transparency in common area maintenance fees.

NEED + BENEFIT

Due to the Purple Line and the corresponding development pressure on the region, independent retailers in Long Branch may be displaced, thanks to increasing rents, high common area maintenance fees,[78] and construction-related disruptions related to redevelopment in Long Branch's commercial core.

Currently, most small businesses interviewed by the PALS project team have five or ten year leases. Many of these independent retailers speak limited English, and have little spare time to seek out legal or mediation services that would help them negotiate better lease terms, understand the cost of commercial area maintenance fees, and plan for construction-related disruption. Due to a perceived lack of creditworthiness, independent retailers often cannot access conventional bank loans that would allow retailers to make improvements to their spaces or invest in more sophisticated marketing.[79]

To support independent retailers, a small business bill of rights was proposed at the November 2019 CoCreation Session. In addition to the Bill of Rights, participants suggested stronger oversight and transparency over common area maintenance fees to prevent expensive fees that result in little maintenance. Similarly, a model lease could detail the contents of a legally compliant tenant-favorable lease, including terms for negotiating lease renewals, protection against drastic rent escalations, and explicit landlord responsibilities for building improvements and maintenance. Pro bono legal and mediation services for lease negotiation and other dealings with the property owner, especially if Spanish-language translation is available. If adopted into County policy, this collection of high-impact interventions can help independent retailers stay in their spaces and advocate for themselves during redevelopment.

Create a Bill of Rights for Commercial Tenants: The County should dictate a set of defined rights for commercial tenants similar to the rights listed in Montgomery County DHCA's Landlord-Tenant Handbook. These rights should delineate guidelines for the assessment of common area maintenance fees, notice of rent escalation, terms of lease renewal. The Bill of Rights cannot include rent control, stabilization of commercial rents, and other legally prohibited actions. Unlike residential tenants' rights, commercial leases are not subject to Fair Housing Laws. The County might require that the property owner and tenant agree to the Bill of Rights at the time of lease signing as a condition of the Certificate of Occupancy, or might simply distribute the Bill of Rights as part of a larger handbook or guidance document for commercial landlords and tenants. To support independent retailers, the Bill of Rights should give special attention to the tenant's right to:

- Transparency in utility and common area maintenance fee billing
- Access to County resources, permitting, and code enforcement reporting procedures
- Access to translation services to facilitate communications between non-English-speaking tenants and their landlords
- Organize and meet with other commercial tenants and approach the landlord via a tenant-selected representative

Draft and distribute a master or model lease: Drawing on Montgomery County's existing sample leases for single-and multifamily residential tenants, the PALS team recommends that the County support the development of a fair standard lease agreement between independent retailers and property owners. A master or model lease can include information on tenant rights, landlord obligations, resources to support tenants in negotiation, as well as examples of lease terms that typically work in the retailer's favor. Terms favorable to commercial tenants might include fixed CAM fees, controls for rent escalation, lease renewal negotiation stipulations, flexible lease lengths, and terms that minimize punitive measures for tenants who must break their leases.

CASE STUDY: Landlord-Tenant Handbook (Montgomery County, MD)

Montgomery County's Office of Landlord-Tenant Affairs provides support and information for residential landlords and tenants.[80] Their Landlord-Tenant Handbook delineates the basics of a land-lord tenant relationship, including tenant obligations, landlord obligations, and a list of Tenant's Rights. According to the Handbook, tenants have the right to:

- Receive 72 hours-notice prior to annual/biennial or triennial inspections by County Code Enforcement;
- Review the proposed lease at any location of their choosing, prior to signing said lease;
- Make repairs with permission of the DHCA Director and deduct the cost from the rent (up to one month's rent) if the landlord fails to make required repairs as ordered by DHCA within the required time frame;
- Receive a copy of the current Landlord-Tenant Handbook at move-in unless you decline a copy and accept referral to a copy on the County website;
- An explanation of the allocation of the cost for gas and electric billing in properties built prior to 1978 along with all information required under the Public Utilities Article of the Maryland Code and applicable COMAR provisions;
- Form, join, meet, or assist one another within or without tenant organizations; to meet and confer with the landlord through representatives that you choose;
- Have access to meeting rooms and other areas suitable for meetings within the property during reasonable hours, and notice to the landlord, to hold tenant organization meetings;
- Have the first tenant organization meeting of each month free of any room reservation fees; any subsequent meets are subject to the regular fee charged for reserving this area by the property;
- Distribute freely and post in central locations of the property, literature concerning Landlord-Tenant issues, if the origin of the literature is properly identified;
- Call the Office of Landlord-Tenant Affairs (240-777-0311) should you have any questions regarding your rights and responsibilities under Landlord-Tenant law;
- File complaints with the Office of Landlord-Tenant Affairs (240-777-0311) individually or as a group;
- Call 240-777-0311 to file Code Enforcement complaints, which can be made anonymously
- Receive at least 90 days-notice of any proposed rent increase.

Though this handbook is for residential tenants and landlords, all of the rights listed above could be applied to commercial tenants dealing with commercial property owners.

Offer pro bono legal services: The County should create and share with independent retailers a specially designated list of local attorneys who are familiar with commercial tenant's rights and willing to provide pro bono support to small business tenants. The list should be published and promoted by the County in both English and Spanish, and include a list of attorneys who speak languages other than English. The list should exist in both web and printable forms, and be permitted to be posted publicly in small businesses and in civic spaces like the Long Branch Library, community center, and nearby apartment buildings. The County should work with local nonprofits including the Latino Economic Development Center and the Long Branch Business League to distribute materials and raise awareness of these services. These services might also include mediation between property owner and business owner with translation.

Require increased transparency of common area maintenance fees: In the Bill of Rights, the County should require an itemized work order or receipt for the common area maintenance fees charged to tenants. The work order or receipt should be distributed to commercial tenants at reasonable time intervals based on when maintenance was performed. The County might also consider a requirement that commercial landlords distribute evidence of a competitive bid process for selecting maintenance contractors. Evidence of a competitive bid process would demonstrate that the landlord sought to negotiate a fair price for maintenance.

CASE STUDY: Sample Residential Lease (Montgomery County, MD)

Montgomery County's Office of Landlord-Tenant Affairs provides sample residential leases that comply with County and State housing laws and regulations.[81] This office encourages landlords to use these sample leases to protect their own rights and tenant's rights. These leases do not explicitly favor landlord or tenant, but are a thorough starting point for assembling leases. The elements included in these residential leases could provide the basis for legally compliant, fair commercial leases.

CASE STUDY: Maryland Legal Aid & Bar Association of Montgomery County (Montgomery County, MD)

Maryland Legal Aid provides free legal services to low income people throughout Maryland. To help users find legal services, Maryland Legal Aid's 'Get Help and Services' page has several sections of legal expertise: Consumer, Employment, Family, Housing, Wills & Estates, et cetera.[82] Each section has links to information on legal issues and life events that fall within that subject area. The Bar Association of Montgomery County[83] and the Maryland Volunteer Lawyers Service[84] have similar pro bono legal services available. None of these programs, however, list services specifically for small businesses or commercial leasing. Contract lawyers who belong to these organizations may be equipped to provide services to independent retailers.

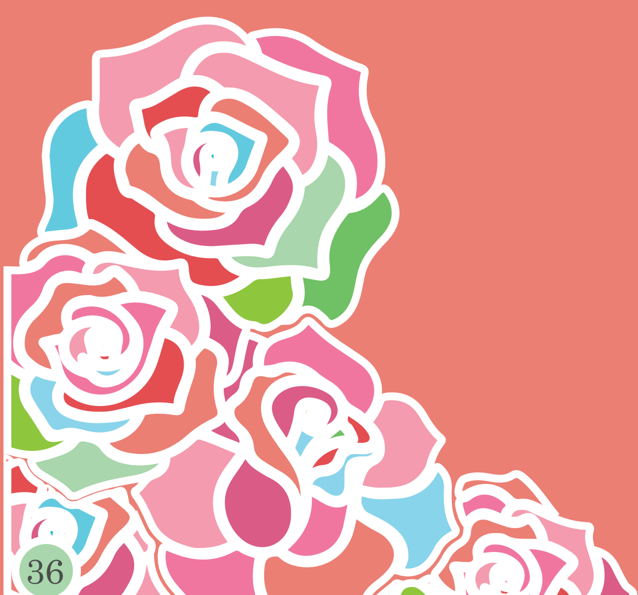
CASE STUDY: Common Area Maintenance Guidance (Goulston & Storrs)

Real estate law firm Goulston & Storrs notes in "Negotiating Common Area Maintenance Costs" that common area maintenance (CAM) fees are among the most contentious points of landlord-tenant relations.[85] Typically, the landlord pays for common area maintenance and charges CAM fees to the tenant pro rata for their space. Depending how they are addressed in the commercial lease, CAM fees may be fixed or changeable, and are charged at intervals defined in the terms of the lease. Per the PALS team's interviews with independent retailers in Long Branch, CAM fees are sometimes prohibitively high, and are rarely assessed in relation to actual maintenance work done.


EL GOLFO RESTAURANT
8739
El Golfo
8739
Rainbow LAUNDRY

TARGETED FINANCIAL TOOLS

Targeted financial tools have the potential to help local, independent businesses overcome roadblocks to accessing the capital and credit they need to start, run, or expand their businesses. This tool presents a few examples of targeted financial tools that could support businesses in Long Branch (i.e. local procurement agreements, monthly tax bill assessments, expedited permitting, and County guaranteed loans), but other tools should be explored.



NEED + BENEFIT

Small businesses face a variety of challenges; lack of time, money, access to financial resources, and increasing operational costs create an added layer of barriers to revenue growth.[86] Traditional lending institutions view small businesses as higher risk investments because of a lack of credit history and, in the case of younger businesses, a lack of a profitable track record.[87] Yet, "according to the U.S. Census Bureau and the Small Business Association (SBA), an estimated 30 million small businesses operate in the United States—about 99 percent of all U.S. businesses."[88] There is a real need to support pathways for improved access to financial resources for small businesses, and the County government could play a crucial role in removing some of these barriers.

Local Procurement Agreements

Customer acquisition and consistent sales are continual challenges for small, independent businesses,[89] and local procurement and contracting can help provide a steady income to these valuable businesses. Local procurement and contracting also create an "economic multiplier effect"—where "each additional dollar that circulates locally boosts local economic activity, employment, and, ultimately, tax revenue."[90] Montgomery County, with small business comprising 95% of businesses, has already embraced this concept.[91] The Local Small Business Reserve Program (LSBRP) was established in 2009 with the goal of investing taxpayer dollars back into the local economy.[92] The program ensures that County departments award 20 percent of their procurements for goods, services, and construction to registered and certified local, small businesses.[93] Similarly, the Minority-, Female-, Disabled-Owned Business Program (MFD) sets procurement goals for minority-, female-, disabled-owned businesses in different purchasing categories. These programs already serve an important function, but they could be strengthened and expanded.

Monthly Tax Bill Assessments

In Montgomery County, most forms of business tax are assessed annually (e.g. business income tax, sales and use tax, personal property tax). Businesses must pay a lump sum every year, which can be challenging for small businesses on a tight budget. Monthly tax bill assessments could help independent businesses factor tax costs into a monthly budget, limiting the surprises of annual bills. The goal of this tool is to keep tax costs commensurate with revenue for each month so that businesses are better able to pay higher or lower taxes when they have the corresponding revenue. For example, if an independent retailer has the highest revenue in the month of December, they would be able to pay a higher tax bill; likewise, lower sales in March would correspond to lower taxes that month. Currently, there is no precedent for monthly tax assessments, but the need for smaller, divided tax payments is demonstrated by the semi-annual tax payment program outlined in the Case Studies section.

Expedited Permitting

One Long Branch business owner explained that the permitting process, zoning regulations, parking restrictions, and time required to complete documents are major challenges to renovation and improvements.[94] Navigating regulations and completing paperwork require extra time from small business owners, additional money for permit applications, and legal and technical reviews of documents (which also require money). Furthermore, small businesses may not have a clear understanding of all the permits, licensing, and zoning required for projects at their businesses, and County resources are not adequate to reach all the businesses that need help.[95] Often, permitting requirements place an unequal burden on small businesses who do not have the time, money, or staff that larger companies can employ. Small businesses are at a disadvantage with navigating complicated permitting systems in states across the country,[96] and expedited permitting for existing and starting small, independent businesses could address these challenges.

County Guaranteed Loans

A perceived lack of business stability and credit-worthiness prevents small businesses from winning commercial leases for retail and loans from banks.[97] Few small businesses take out loans or have lines of credit and, therefore, no established credit history; this makes them higher risk investments for traditional lending institutions.[98] Some small businesses resort to short-term, high-interest lines of credit, like personal credit cards, to access the capital they need.[99] And in many cases developers often need credit tenants to fill the spaces to underwrite loans.[100] This creates a very high threshold to entry for new businesses or businesses looking to relocate or expand. County guaranteed loans could work to help independent businesses secure the loan funding from banks that they need to start, continue, or expand their businesses.

CASE STUDY: Local Procurement Programs (Cleveland and Indiana)

Cleveland has a variety of local procurement programs that are administered through the Office of Equal Opportunity: Minority and Female-Owned Business Enterprise Program, the Cleveland Area Small Business Purchasing Program, and the Local and Sustainable Purchasing Program. “Businesses certified in these categories receive a bid preference that ranges from 2 to 5 percent, and businesses certified in multiple categories can combine them up to a maximum 9 percent bid discount.”[101] Indiana grants a 15% preference to small, independent businesses, as defined below, and gives all other local businesses a preference of 1-5%, depending on the size of the contract.”[102] This program offers an even higher preference than Los Angeles, which offers a 10% preference to small, local business.[103]

CASE STUDY: Maryland Semi-annual Tax Payment Plan and Escrow Accounts for Property Taxes

Research conducted for this toolkit did not find any case studies outlining similar tax assessment programs to the monthly tax bill assessment tool outlined here. However, there are two tax payment models for property taxes that divide tax payments into smaller, more manageable increments. In 2000, the State of Maryland introduced a semi-annual tax payment plan for all owner-occupied residential property owners. “The purpose of this legislation was to help reduce closing costs associated with the purchase of homes in Maryland, effectively reducing the amount of cash new homebuyers need.”[104] The program is not mandatory, and property taxes are still assessed on an annual basis. Taxpayers have the option to break their annual property tax payment into two installments—the first on September 30th and the second on December 31st. Escrow accounts also provide a structure that allows homeowners to pay for annual property taxes on a monthly basis. While the structure of an escrow account involves making monthly payments to a lender, the underlying logic for dividing payments supports the idea that monthly tax bill assessments could be a useful tool to make payments easier for smaller, independent businesses.

Create a network of targeted programs. Targeted financial tools should be considered as viable short- and long-term solutions to challenges that prevent independent businesses from succeeding. Based on the function of each targeted tool, the County would need to determine which department of County government should develop each program. However, the County should consider creating all of these tools as a network of targeted programs that coordinate the County's efforts and have meaningful impacts for small businesses by streamlining information and application processes. This will require coordination with a clear, top-down vision that prioritizes small, local, independent business.

Restructure County procurement program requirements to be more ideal for independent retailers. Current local procurement expectations are an excellent start. However, there are some requirements that may be more difficult for a small, independent business to meet. For example, "In addition to assuring the reinvestment in the local economy, businesses who have contracts under the LSBRP program are required to pay a living wage, further contributing to quality of life and economic stability within the county."[109] While this is an admirable goal, many independent businesses are family-owned and run and do not necessarily pay their families a living wage—or a wage, for that matter. Reexamining the current program with a focus on the challenges of small, family-run, independent, and minority-owned businesses would reveal other requirements that could be made more applicable to these businesses. Other expansions of the program could include a procurement program specifically for businesses within the Purple Line corridor which could function as a form of construction mitigation. There is also potential to restructure the MFD-Owned Business Program beyond typical procurement categories for County projects (e.g. construction) and include retailers as potential subcontractors for meals, uniforms, and other products. Another creative solution could apply the County's 20% procurement requirement for locally- or minority- owned businesses toward new retail developments in a County-sponsored development project after it is complete (i.e 20% of businesses in the newly developed area should be locally- or minority-owned).

CASE STUDY: Small Business Loan Guarantee Program (California)

The State of Californnia's Small Business Loan Guarantee Program is administered through the California Infrastructure and Economic Development Bank's (IBank) Small Business Finance Center (located within the Governor's Office of Business and Economic Development). The IBank Small Business Finance Center "partners with Financial Development Corporations to provide loan guarantees and direct loans for small businesses that experience capital access barriers."[105] The program guarantees 80-95% of a loan for 7 years, up to $1 million. "This guarantee activity contributed to over $95 million of overall capital that was injected into the State's small business community. The small business owners reported 2,302 jobs created or retained as a result of these loan guarantees."[106]

Create flexible tax payment options for independent retailers. While no precedents were found for monthly tax bill assessments, the underlying logic of predictable, manageable payments provides relief for small businesses. The County could consider expanding the existing semi-annual tax payment plan for residential properties. However, language surrounding small businesses would need to be clarified. The current program says that "real property taxes on residential and commercial properties defined as 'small business' are also eligible for semi-annual payment," but taxes on commercial real property are not eligible for the semi-annual schedule.[110] This ambiguous language complicates whether a small, independent commercial business could qualify for the semi-annual payments. Ultimately, the County should consider creating an innovative monthly tax assessment program for small, local, independent businesses of all kinds (retail, food service, personal service, etc.) and become a pioneer for this new legislation.

Ease permitting process and expand technical assistance for additional permitting, zoning, and legal requirements. Small, independent businesses have difficulty navigating the current County permitting, zoning, and parking requirements for projects they want to undertake to improve their businesses. Meanwhile, developers and larger businesses have better resources and larger, more knowledgeable staff to navigate the range of requirements. And yet, this research found many more examples of expedited permitting for developers than for independent businesses. The County should consider creating a program that moves certain projects for independent businesses through an expedited review. Additionally, expanding permitting and technical assistance through existing organizations and the potential creation of a Neighborhood Equity Coordinator (see Tool: Neighborhood Equity Coordinator) should be considered.

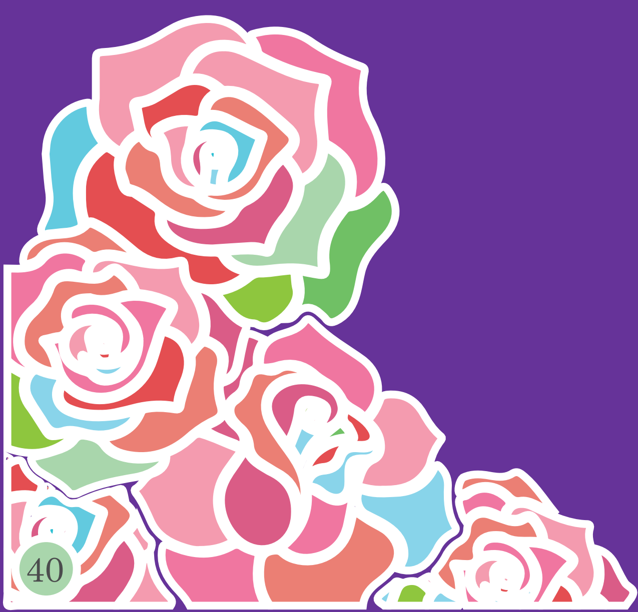
CASE STUDY: Expedited Permitting (San Francisco, CA)

There are numerous models that provide expedited permitting for developers and construction projects, but there are very few explicitly targeted to small businesses. San Francisco offers a Community Business Priority Processing Program (CB3P), which streamlines the Conditional Use Authorization review process for certain small and mid-sized business applications.[107] To qualify, projects must meet requirements such as: meeting zoning requirements for changes in use, no alcohol sales, no building expansion or new construction, only non-residential uses, and no loss of dwelling units.[108] These criteria are very specific, but "projects that [do] qualify for and enroll in the CB3P are guaranteed a Planning Commission hearing date within 90 days of filing a complete application."

Photo: Montgomery County Planning Department

COMMMUNITY LAND TRUST

A Community Land Trust (CLT) is a form of permanently affordable land protection in which a community-controlled organization retains ownership of the land and can sell or rent the units on that land to people that fit a certain income designation or organizations that fulfill a particular need.



NEED + BENEFIT

Currently, major parcels of land with small businesses and multi-family housing units are predominantly-owned by REIT's and LLC's (see Appendix 3: Business Inventory). These are business and investment entities that historically define success by profit margin, and the rental rates are directly associated with the market rate of the area. With the Purple Line opening, the value of these holdings will increase, as will property taxes. These added value and costs will be passed on to tenants. Major changes are expected through a combination of redevelopment, rental price hikes, and increased outside competition for commercial leases.[111] None of the business owners have had success renewing leases, which used to be offered in five or ten year intervals.[112] As one Long Branch business owner stated, "I am hoping that we are still here [10 years from now,] I am hoping we will have expanded." But we'll need "protections to keep doing business."[113]

A Community Land Trust (CLT) can be effective in preventing displacement while adapting to the community's emerging needs. CLTs function on a fundamentally different set of operating principles compared to a typical real estate investment. A CLT does not seek the highest profit margins, but the highest community benefit in accordance with its bylaws.[114] Affordable housing and commercial ground leases can be offered to the independent retailers in Long Branch. A CLT can also address unmet needs by offering affordable space to a community-oriented bank, nonprofit, business incubator, or any missing need prioritized by the community.

Additional CLT benefits include an increased sense of civic involvement. A governing board of directors comprised of neighborhood stakeholders guarantees that the community's best interest is democratically represented. The legal framework and transparent nature insures judicious stewardship of the land holdings.[115] The nature and implementation of a CLT can have a multiplier effect by facilitating a sense of inclusiveness and strengthened neighborhood identity that often increases community good will as well.

CASE STUDY: Champlain Housing Trust (Burlington, VT)

This trust began as two separate entities in 1984—a CLT and a Housing Development Corporation—which were funded by the City of Burlington, and merged in 2006 to combine strengths. One of the oldest and most successful CLTs nationwide, CHT initially focused on housing and has since expanded to commercial property. It operates fourteen commercial units on six properties in the Old North End. Spaces are set aside for community-oriented tenants, such as a food pantry, community health center, and a nonprofit car donation organization.[122]

Engage neighborhood stakeholders and supplementary partners: An initial exploration committee should utilize the existing neighborhood organizations and nonprofits active in the area to gauge interest from the community at large, and to identify necessary voices to be included. An advisory committee should be made available to provide consultation for helping the CLT effectively manage procurement, financing, redevelopment, management, and any component that might be outside the CLT board's expertise. Partnerships with nonprofits, community-oriented banks, Community Development Financing Institutions, Community Development Corporations, share-holding cooperatives, mission-oriented REITs, etc. should be explored for potential partnerships in redevelopment efforts. A public-private partnership could also make a CLT possible through co-location of any county or state services, including the Long Branch Library and Community Center. The CLT should give weighted opportunities to independent retailers in Long Branch. The CLT should be considered an opportunity to bring in commercial tenants to fulfill current needs of small businesses and residents, such as access to banking services. The CLT should consider non-independent retailers as tenants only when they fulfill a need not being catered to by existing businesses and only to offset the costs so that additional opportunities can be offered for the population most vulnerable to displacement.

Fast-track property acquisition mechanisms: An expedited timeline is important for a CLT to mitigate the effects of rising land costs; however, it is expected that the Washington, DC region, will continue upward trends in land values in general, and therefore, land acquisition at any point in time should be seen as opportune. The CLT should consider any commercial or residential opportunity to increase its portfolio. A variety of potential funding options to accomplish the goal of acquiring real property should be considered, including tax benefits that incentivize landowners to donate land to a CLT, or to sell for a below-market price; county/state funding, philanthropic entities, and/or direct investments typically associated with the community development sector. Consider tax abatements for a CLT to not be over-burdened by property taxes.

Support an adaptive CLT model: A CLT should be considered one of the most effective long-term solutions to affordable housing and commercial space in Long Branch. A CLT is an extremely flexible tool that continues to evolve, and therefore it is advised that variations on CLTs should be considered further.

CASE STUDY: Anchorage CLT (Anchorage, AK)

ACLT was founded in 2003 to revitalize the Mountain View neighborhood—a diverse inner-ring suburb of Anchorage.[116] Of the 270 community land trusts nation-wide, is one of the only to focus primarily on commercial redevelopment. What began with a seed grant from the Rasmuson Foundation, Anchorage CLT now has nine commercial properties with twenty-four commercial tenants. Analysis of what was lacking informed what to include, beginning with the first tenant, a credit union, and followed by office space for nonprofits. Additionally, ACLT advocates for supplemental commercial development, including mobile phone and cable television offerings, as well as comprehensive neighborhood revitalization that includes a revamped public library.

CASE STUDY: Douglass CLT (Washington, DC)

This trust began as a key recommendation of the 11th Street Bridge Park's Equitable Development Plan to mitigate displacement pressure, published in September of 2018, and incorporated September 2019 as a nonprofit 501c(3).[117] Its first was completed that same month—a 65-unit privately-owned apartment building in Congress Heights, DC. The tenants used their right of first refusal to buy the property under DC's TOPA legislation, which they completed in part using initial financing of $7 million by the National Housing Trust, and $1.3 million from DCLT, who will hold on to the deed. The residents will stay in place.

CASE STUDY: Urban Land Conservancy (Denver, CO)

Founded in 2003 with seed money from oilman Sam Gary,[118] ULC first acquired apartment buildings until the city of Denver solicited their participation in the 2.6 acre Holly Square shopping center after it burned down. In 2009, ULC acquired the property and put together the HARP Vision Plan.[119] To gain the trust of the community, ULC legally empowered a neighborhood steering committee to have veto power over potential developments.[120] The ULC negotiated short-term and long-term uses, including a partnership with the Boys & Girls Club of Denver, which invested $5 million into the trust in exchange for below-market long-term commercial lease on a 28,000 sq. ft. community center. ULC continues to plant seeds of change, incubating the Elevation Community Land Trust in 2018 as a public/private partnership to increase home ownership.[121]

LEGACY BUSINESS DESIGNATION

A Legacy Business Designation Program, typically established by a local jurisdiction, business district, or non-profit organization, is a way to incentivize the preservation of local businesses that meet specified criteria. These criteria are related to the tenure of the business, as well as typically controlling for small, independently-owned business which provide a particular community value.

NEED + BENEFIT

Well-established, long-tenured small businesses face many challenges, including increased competition, increased rents, technological advances, shifting consumer preferences, rising labor costs, and changes in the neighborhood, including population shifts caused by redevelopment.[123] Small businesses are often particularly vulnerable when redevelopment occurs or when right-of-way improvements are under construction.

When independent retailers close, impacts to the larger community occur, including “the loss of economic support flowing back to the community. Many legacy businesses with long tenures in a neighborhood employ community members and serve as a gathering space for the community. They also give back to the community through hosting events in the store, sponsoring local children’s sports teams, donating time and goods to worthy causes, leading neighborhood committees, and much more.”[124] Although independent retailers hold community value, they are not often prioritized when redevelopment occurs, resulting in extended vacancies due to independent retailer’s inability to meet credit standards required by the developer’s lenders and subsequent tenanting of these vacancies with chain retailers.[125]

To surmount these challenges, a Legacy Business Designation Program can confer:

- Financial assistance: direct grants, loans, access to capital, tax incentives, rent subsidies
- Protections and covenants: restrictions on changing the use of space or on chain businesses, mandatory set-asides in new developments
- Promotional activities: media campaigns, marketing publications
- Technical assistance: licensing/permitting, ADA compliance, labor laws, zoning and land use, government contracting, lease education, financial projections, marketing, advertising, and other forms of support identified by the business community[126]

The specific criteria for Legacy Business designation are determined by the organization that confers the recognition, and once recognized, these businesses may become eligible for financial assistance (grant and/or loan programs) and often general assistance and support.

Establish a pilot Legacy Business Program in Long Branch. Montgomery County should provide a framework for protecting well-established, long-tenured small businesses facing redevelopment pressure as a result of the development of the Purple Line and the construction of the Long Branch Station. To make the pilot program particular to Long Branch, the program could prioritize small, independently owned businesses either owned by or that serve the minority community. The County should consider the full range of different types of assistance (financial, promotional, technical and legal) that may be offered to small, independently owned businesses and select those which fit best with or expand upon existing programs in Montgomery County.

The following steps should be undertaken by the appropriate County agency to establish the program:

- Determine which agency/body should administer the program. The program could be housed initially within a local organization, then scaled up to the County level if successful.
- Determine limitations of pilot program. The area covered, the length of the pilot program, and the number of businesses that can be served should be determined.
- Study existing businesses to determine appropriate eligibility criteria and potential participation. Criteria could include a business's age, as well as any other factors that would or would not qualify them from participation.
- Prepare a nomination or application process.
- Prepare a process by which to screen, score and select eligible businesses.
- Determine what kind of support could be made available to eligible businesses. Will the support be financial assistance, such as direct grants, loans, access to capital, tax incentives, or rent subsidies, or will it be entirely non-monetary, such as technical assistance? If financial, where will the funds come from? How will the funds be distributed?

CASE STUDY: Legacy Bars and Restaurants + Legacy Business Registry (San Francisco, CA)

San Francisco Heritage, a non-profit 501(c)(3) organization launched San Francisco's Legacy Bars and Restaurants project in 2013, an online guide that celebrates 100 iconic establishments ("legendary eateries, watering holes, dives and haunts") that contribute to the culture, character and lore of San Francisco. The businesses must have been open for 40 years or more, have contributed to the historical nature of the surrounding neighborhood, and have possessed either distinctive architecture or interior design.[127] Despite the popularity of the ground-breaking initiative, the City's Budget and Legislative Analyst's Office reported a year later that a record number of small businesses had been closing due to sky-rocketing rent.

In 2015, legislation was passed to create the Legacy Business Registry, which is open to businesses which have operated for 30 years and have proven that they have "made a significant impact on the history or culture of their neighborhood." [128] The Legacy Business Historic Preservation Fund was passed by ballot in late 2015 and is considered the first legislation in the nation which recognizes notable small businesses and incentivizes their preservation. The Fund provides Business Assistance Grants of $500 per full-time employee per year and Rent Stabilization Grants, which provides a subsidy of $4.50 per square foot per year to be applied to the full rental rate.[129]

CASE STUDY: San Antonio, TX

San Antonio's Legacy Business Program recognizes "longtime businesses throughout the city whose antiquity, architecture, historical, or cultural significance make them a notable part of San Antonio's cultural landscape. Categories may include performance, traditions, financial institutions, ice houses, cantinas, saloons, bars, and restaurants."[130] The benefits of being a Legacy Business include marketing and promotional opportunities as well as being included on print and digital visitor maps. Additionally, businesses that are located in San Antonio's World Heritage Buffer Area and a two-mile radius of historical sites Missions Concepción, San José, San Juan, or Espada may qualify for World Heritage Legacy Business Grant Pilot Program matching grants of up to $10,000 to "encourage the stability and preservation of registered Legacy Businesses that sustain local traditions and identity."[130] Grant funds may be used for improvements to the façade, signage, landscaping, or parking areas. Low-interest loans for interior improvements may also be available from organizations partnering with the World Heritage Legacy Business Grant Pilot Program.[131]

CASE STUDY: Seattle, WA

Two years after Seattle published its Legacy Business Study, the City's Office of Economic Development (OED) launched a Legacy Business Pilot Program, along with two pilot funding mechanisms: the Tenant Improvement Fund Pilot Program and the Stabilization Fund Pilot Program. The Legacy Business Pilot Program addresses the changes that have occurred with significant growth in population and employment. "Many residents and community leaders have expressed a sense of loss at the closing of longtime businesses challenged under new local and global economic realities. To address commercial displacement and preserve the neighborhoods that Seattle residents cherish," the OED created the Legacy Business Pilot program to support independently owned, for-profit businesses that have operated in Seattle for a minimum of ten consecutive years, and employ few than 50 people, including the owner(s).[132]

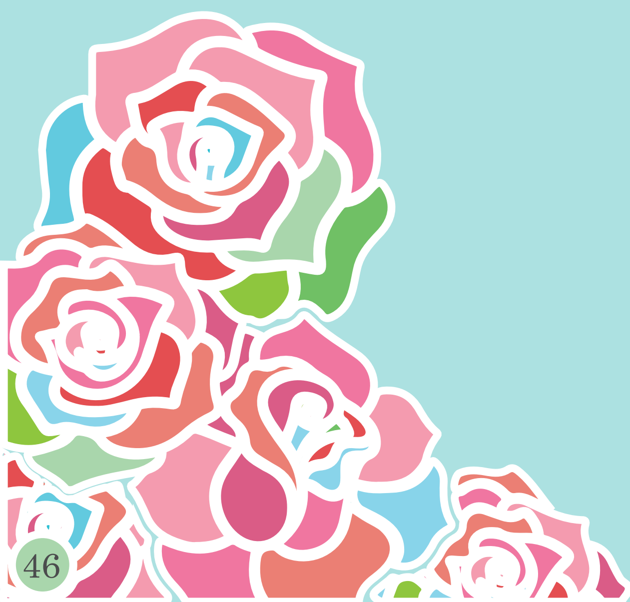
Seattle OED's Small Business Tenant Improvement Fund Pilot Program offers grants of up to $100,000 for small businesses in neighborhoods where there is a high risk for displacement. The businesses must show that their goods/services are important to the neighborhood and that they can provide other funding resources but need additional funds to fill a final gap.[133]

The Stabilization Fund Pilot Program is a one-time pilot program that targets small businesses whose owners are considered low-income, and which employ five people or fewer. These funds are meant to assist business owners who are struggling to stabilize their businesses due to construction, rising rents, displacement, crime, a personal emergency, or other event that reduced their income, and can provide up to $25,000 for operating expenses.[134]

CoCreation Session at El Golfo in Long Branch

PLACEMAKING EFFORTS

Placemaking is "a collaborative process by which we can shape our public realm in order to maximize shared value"[139] with the purpose of "creat(ing) quality places [where] people want to live, work, play, and learn" and to "strengthen the connection between people and the places they share."[140] The placemaking process often includes the following steps: define the area for improvement, assemble relevant stakeholders, evaluate and identify issues at the site, create a vision through public participation, and ultimately, install public art, seating, or planters, and/or programming the space with frequent formal and informal community events.[141] To endure, placemaking must be iterative and ongoing.



NEED + BENEFIT

Community-based placemaking exercises allow residents to participate in the design and creation of great spaces that reflect their cultural heritage and allow them to feel included. The process facilitates breaking down social barriers, sparking community involvement, driving economic development, and can support efforts to resist displacement.

Long Branch, home of many thriving minority-owned and/or minority-serving independent retailers, has already benefited from some placemaking activities led by the Long Branch Business League's Discover Long Branch! initiative.[135] Discover Long Branch! aims to cast the community as a family-friendly and creative place. The efforts have resulted in public art, including murals on Flower Avenue, and an increase in community events, like the DiscoverLongBranch 5K race and the recently established annual Long Branch Festival.

At the Long Branch Festival, Montgomery County facilitated placemaking activities as a part of the Thrive Montgomery 2050 planning effort.[136] County Planning representatives asked festival attendees to give feedback on how to "reimagine a livelier and friendlier downtown in Long Branch."[137] County volunteers created a temporary civic green at Flower Avenue Urban Park for the festival, where food and retail vendors sold goods, and live entertainment was held. While admirable, these placemaking activities should be repeated with the goal of maintaining the character of Long Branch's public spaces into the future.

Redevelopment of properties around the future Long Branch Purple Line Station presents a unique opportunity to engage the community in the design of the built environment. Through placemaking, the community can enhance public spaces with amenities like public art and programming that confirm their sense of community—even under threat of redevelopment. With placemaking, a close-knit community with a strong determination to enact its vision for itself often encourages new economic activity and future investment. Placemaking can help build this kind of community, and can have a positive effect on how people interact with their environment. Placemaking can help fortify the community's identity against development pressure by creating space for community visioning and engagement. As placemaking pioneer Jan Gehl said, "Public life in good quality public spaces is an important part of a democratic life and a full life."[138]

Facilitate and support placemaking activities. Activities could include scheduled workshops like those held in Silver Spring in 2015,[142] public art projects, or community-led cultural events that reflect the neighborhood's character. Ideally, these activities would be held well in advance of any proposed redevelopment of the site, so that when redevelopment occurs, the community has already defined its vision for Long Branch and identified its priorities for development. Alternatively, if comprehensive placemaking is not pursued in advance of development, the County should require that placemaking activities be conducted on public spaces affected by development. Those activities might result in updated or expanded community design guidelines, new programs that fund small business façade and interior improvements, and vacancy fees to discourage property owners from speculatively holding empty retail space.

Expand or update the 2013 Long Branch Community Design Guidelines. The County Planning Department should initiate placemaking activities aimed at updating and/or expanding existing *Long Branch Design Guidelines* (2013).[143] These activities would create space and time for the community to define and express its character via the design of the built environment. The resulting updates to the design guidelines might be modeled after the March 2019 update to *Greater Lyttonsville Sector Plan* design guidelines.[144] As in Lyttonsville's update, elements of the updated guidelines for Long Branch might include sidewalk zones, building placement, neighborhood connections, canopy corridors, and especially neighborhood retail street guidelines. Updated guidelines would help maintain the character of the area, especially the commercial core at Piney Branch Road and Flower Avenue.

> *"We made a lot of positive progress: the transformation of a formerly deserted and avoided alleyway, hope and confidence in the children, people feeling joy and pride about who they are and where they live, and three generations working together."*
> *— Adele Kious, Neighborhood Connections development consultant.*

Establish modernization loan or grant programs for small business façade improvements. In partnership with the Long Branch small business community, the County Office of Economic Development, and local CDFIs, the County should establish grant or low-interest loan programs to help small businesses affected by the development of the Purple Line with façade or interior improvements.

Implement Commercial Vacancy Fees in Long Branch. To encourage vibrant streets and drive foot traffic to Long Branch's retail centers, the County should discourage commercial speculation and first floor vacancies by levying annual fees to property owners who leave commercial space vacant. The City of Arlington, Massachusetts levies such fees to property owners annually by charging $400 per vacant storefront and requiring registration to the Department of Planning and Community Development's ledger of vacant retail spaces. Similar fees in Long Branch may encourage commercial property owners to keep rents reasonable and market storefronts available for lease.[145] Fees collected should support a Small Business Assistance Fund aimed at providing financial help for independent retailers at risk of construction-related disruptions, in need of facade improvements, or otherwise lacking in capital to make their businesses successful. Challenges to these fees may arise from community members or elected officials who feel that government oversight will suppress the economy, or that the fees might drive some property owners to invest elsewhere. Still, if the fees successfully encourage commercial occupancy in Long Branch, the County might consider scaling these fees.

> *"The activities associated with designing a mural, painting it, and holding parties obviously engage the neighborhood and create a stronger sense of attachment between neighbors. This sense of community is what any neighborhood needs to be a great place to live."*
> *— Robert Brown, Cleveland Planning Director*

CASE STUDY: City Repair Cleveland (Cleveland, Ohio)

In 2013, the Cleveland Foundation's community development arm Neighborhood Connections proposed community-led placemaking projects in three neighborhoods: Larchmere and Buckeye-Shaker Square, Stockyards, and Newark Alley.[146] Drawing on architect Mark Lakeman's City Repair Project in Portland, Oregon, each neighborhood facilitated an extensive, collaborative public process to design a mural intended to bridge cultural and racial divides and communicate relevant history. The murals were installed, but the process of placemaking was possibly more valuable to the City Repair communities than the final product: "It was never about creating or building something—that was secondary," mural artist Michael Mishaga said, "The most important thing was the social interactions." The City of Cleveland's Department of Community Development also administers a very successful Storefront Renovation Program (SRP) in targeted areas of Cleveland's neighborhood retail districts. The goal of the program is to rehabilitate/renovate the exterior surfaces of primarily traditional storefront buildings, including correction of deferred maintenance items, correction of code violations, the renovation of architectural details, and the design and installation of new retail business signage. Storefront Renovation Program projects typically fall within a total project range of $40,000 to $80,000.[147]

CASE STUDY: Little Mekong (St. Paul, MN)

With the impending development of a light rail network in St. Paul, Minnesota, small, independent business owners in the Frogtown neighborhood (west/central St. Paul) were concerned about losing business due to long-term construction disruption. Many were first- or second-generation Asian Americans served by the Asian Economic Development Association (AEDA). AEDA perceived an opportunity to rebrand the area, and began referring to it as "Little Mekong." In the spirit of creative placemaking, AEDA and partners the Hmong American Partnership, Saint Paul Riverfront Corporation, and the City of Saint Paul created a community gathering space on University Avenue called Little Mekong Plaza. At a series of public charrettes, the community collaborated on the plaza's design—green space, murals, and public art intended to "solidify the neighborhood's identity,"[148] and spur Little Mekong's economy. "The arts can change people's relationship to places," Laura Zabel, Executive Director of Springboard for the Arts in St. Paul said, confirming the "tremendous ripple effect," placemaking has caused in the Little Mekong community.[149]

CASE STUDY: Rainier Valley Community Development Fund (Seattle, WA)

Rainier Valley, a neighborhood southeast of downtown Seattle, is one of the most diverse in the region: 75% of residents are people of color, and nearly 33% are foreign-born. Like Long Branch, Rainier Valley is home to many small independent minority-owned and minority-serving businesses. In 2002, the Rainier Valley Community Development Fund was established. The Fund was intended to mitigate the impacts of construction and long-term neighborhood changes due to a new light rail line on Martin Luther King Jr. Way. The Fund provides community development grants and loans, including support for businesses forced to relocate.[150]

The City of Seattle also supports small business improvements through the Small Business Tenant Improvement Fund Pilot Program, which grants gap funding up to $100,000 for commercial space improvements—a benefit that can both raise the business's profile and contribute to a neighborhood's sense of place. The grants are limited to areas at high risk of displacement. The qualifying business must provide a good or service important to the neighborhood.

Photos: Montgomery County Planning Department

supporting tools

The Supporting Tools Matrix consists of tools that are relatively minor in implementation and impact (in comparison to the primary tools), but are still valuable elements of a complete strategy for retaining community value of Long Branch's independent retailers. Instead of full tool entries, the definitions of these tools are one paragraph long. The Supporting Tool Matrix works the same way as the Primary Tool Matrix: a colored cell indicates that the tool (above) addresses a given challenge (left). For further information on the challenges listed in the Matrix, see Primary Tools (page 10) and Appendix 5: Preliminary Insight Statements.

CHALLENGE	COMMERCIAL IMPACT FEES	COMMERCIAL VACANCY FEES
Limited Commercial Affordability Support	●	●
Increased Costs of Real Estate	●	
Lack of Cultural Diversity Protection	●	
Redevelopment Pressures		
Displacement by Redevelopment	●	
Limited Organizing and Consensus Building		
Limited Business Owner Time, Financial Resources, & English Fluency		
Potential Loss of Physical Character	●	
Exclusive County Funding Eligibility Requirements	●	
Disadvantageous Independent Business Lease Terms		
Systematic Tenanting and Financing Barriers	●	●
Finite Funding and Technical Assistance Opportunities		


COMMON AREA MAINT. FEE TRANSPARENCY
COMMUNITY DESIGN GUIDELINES
COUNTY-FUNDED MARKET ANALYSIS
COUNTY GUARANTEED LOANS
EXPEDITED PERMITTING FOR DEVELOPERS
LOCAL PROCUREMENT AGREEMENTS
MODEL LEASE
MODERNIZATION GRANTS (FACADES AND INTERIORS)
MONTHLY TAX BILL ASSESSMENTS
ROVING PLANNING COMMISSION MEETINGS
SEO AND SOCIAL MEDIA TRAINING
SHOP LOCAL CAMPAIGNS

supporting tools: definitions

commercial impact fees

This fee would be modeled after the County's existing residential impact fees, which are paid by developers to offset the impact of new households on public facilities, such as roads, sewers, and schools. Similarly, a commercial impact fee could offset the impact of new development on existing commercial establishments by funding targeted financial assistance for small businesses affected by the Purple Line project. To implement, the County could reallocate portions of the existing impact fees required for public facilities improvements, levy a new impact fee for this purpose, or allow developers to pay into a Long Branch commercial impact fund as part of the public benefits grading process that accompanies the optional method for development.

commercial vacancy fees

Commercial vacancy fees levied on private property owners who allow retail spaces to remain empty for an extended period of time would encourage property owners to keep rents reasonable and actively market spaces for lease. Fees collected could be pooled into a Small Business Assistance Fund that would provide financial help for small, independent businesses struggling financially due to on-going construction projects, for legacy business grants, and other improvements.

common area maintenance fee transparency

The programs or policies support transparency in common area maintenance fees, which are billed to commercial tenants by their landlords. Transparency could be encouraged by requiring or incentivizing an itemized work order or receipt for the common area maintenance fees charged to tenants to be distributed to them at reasonable time intervals based on when maintenance was performed.

community design guidelines

To ensure that careful consideration is given to the design of any redevelopment in Long Branch, the County could develop supplemental community design guidelines similar to those developed for Lyttonsville by the County in March 2019. The *Greater Lyttonsville Design Guidelines* address Streetscape Design, Parks and Open Space Design, and Site and Building Design, all of which could be customized to Long Branch to guide future redevelopment. Elements that are particularly relevant to the Long Branch retail node include sidewalk zones, building placement, neighborhood connections, canopy corridors, and neighborhood retail street guidelines.

county-funded market analysis

Modeled after a typical market analysis conducted by a developer or nation-wide retailer, this county-funded version would be publicly accessible and allow small-scale retailers to better grasp the local market. Current unmet demand would be identified so that independent retailers could better cater to current needs and strategize for the future before nationwide retailers tap the market niches.

county guaranteed loans

A County-guaranteed loan program could back loans at financial institutions for small, independent businesses. The program could be similar to the federal Small Business Administration (SBA), which administers guaranteed loans from private or other lending institutions that are 75-80% guaranteed. The program has been touted as effective and efficient. The SBA only has to pay if a business defaults on its loan. This program would help independent businesses secure the loan funding from banks that they need to start, continue, or expand their business.

expedited permitting for developers

Bundle and expedite permitting for developers who pursue the revised optional method in the proposed neighborhood commercial overlay zone. Permits could also be expedited when developers participate in other programs designed to support a diverse independent retailer community. As a local developer indicated, navigating the entitlements process is the most expensive part of any project; expedited permitting could relieve developers of some burden by rewarding project decisions that support small businesses in Long Branch.

local procurement agreements

This program would require governmental agencies to set aside a certain amount of government contracts for locally-owned, small, independent businesses. Minority- and women-owned businesses could also be included, along with a procurement program specifically for businesses within the Purple Line corridor that could function as a form of construction mitigation.

supporting tools: defined

model lease

A model lease would include examples of a tenant-favorable commercial lease including terms for negotiating lease renewals, protecting against drastic rent escalations, and defining the property owner's responsibility for building improvements and maintenance. Terms favorable to commercial tenants might also include fixed CAM fees, flexible lease lengths, and terms that minimize punitive measures for tenants who break their leases. A model lease could be a County-wide standard distributed to all landlords, or could be recommended by the County and distributed to tenants and landlords as an informational resource.

modernization grants (façades and interiors)

This type of grant program could be set up as a pilot program specific to Long Branch or offered throughout the County, similar to Seattle's Small Business Tenant Improvement Fund Pilot Program. The grants would be directed at small, independent businesses in locations where there is a high risk of displacement, and businesses would have to indicate that the goods/services sold are important to that neighborhood. Also, the needed funds should be required only to fill a remaining gap in funding from other sources.

monthly tax bill assessments

A tax program for small, independent businesses that would assess all business taxes monthly instead of annually. The goal of this tool is to keep tax costs commensurate with revenue for each month so that businesses are better able to pay higher or lower taxes when they have the corresponding revenue. For example, if an independent retailer has the highest revenue in the month of December, they would be able to pay a higher tax bill; likewise, lower sales in March would correspond to lower taxes that month. Monthly tax bill assessments will help independent businesses factor tax costs into a monthly budget.

roving planning commission meetings

Business owners are short on time and have limited opportunity to engage with the Planning Commission and other decision-making bodies. To encourage a more participatory process and to generate more representative decisions, the Planning Commission should rotate its meetings through communities that stand to be significantly affected by County-led projects such as the Purple Line. Moving the meetings into neighborhoods could open the door for new voices to join the process.

search engine optimization + social media training

To optimize the reach, influence, and sales of minority-owned and/or minority-serving businesses, the County could provide training in search engine optimization, social media marketing, and other branding or digital strategy tools.

shop local campaigns

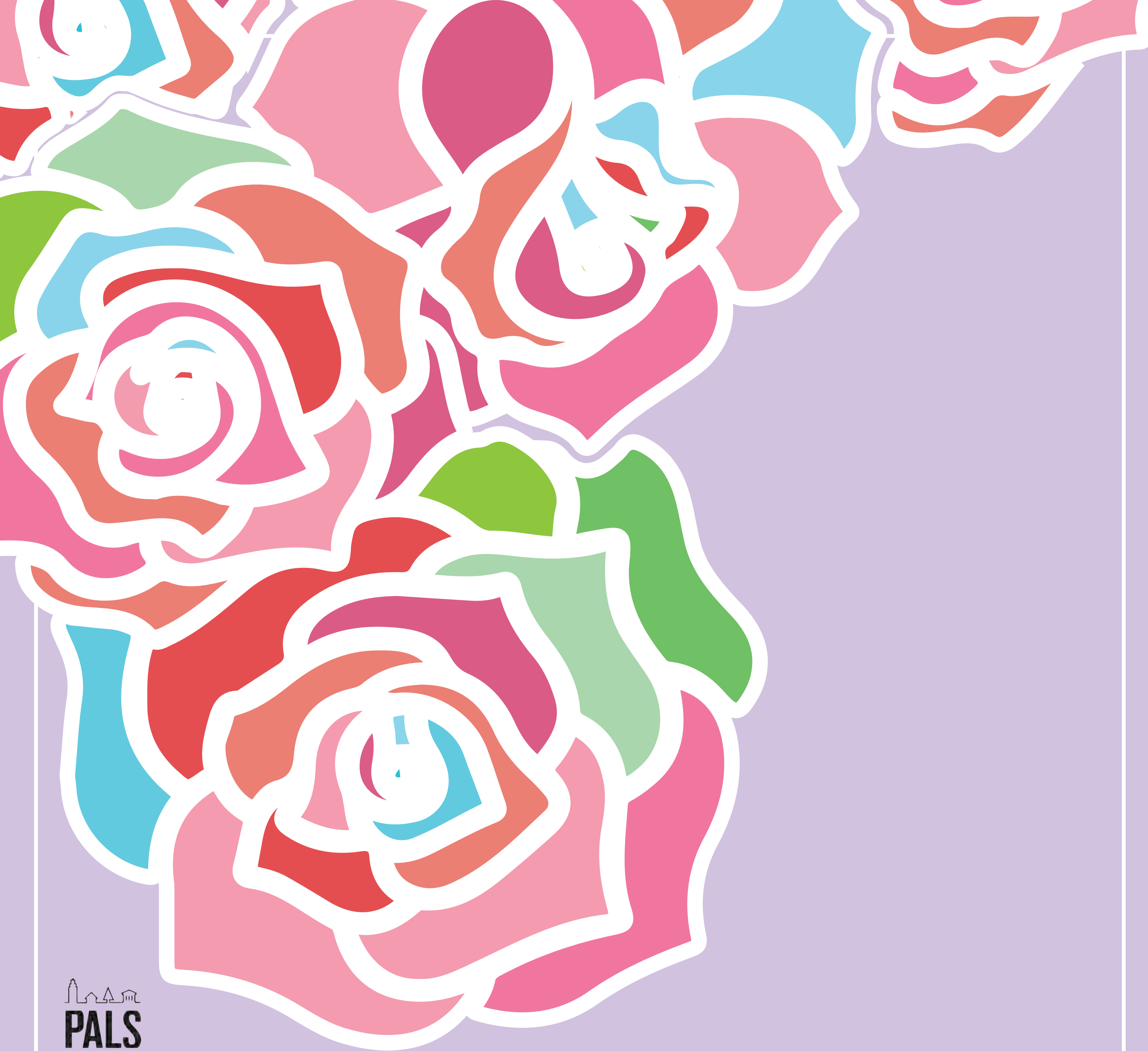
Shopping locally strengthens a community's economic base while keeping money in the local economy. The County could mount a Shop Local marketing campaign designed to increase demand for goods and services sourced from small, independent businesses, specifically in Long Branch. Not only could a successful Shop Local campaign result in increased business for Long Branch retailers, the campaign would also be an important community engagement strategy that helps connect these businesses with their local government.

conclusion

The strategies described in this report present a spectrum of solutions to the increasingly prevalent issue of displacement from redevelopment. Redevelopment is on the horizon for every inner-ring suburb in the growing metropolitan area, and on a fast-paced treadmill with the Purple Line's construction. While promising many benefits to their respective municipalities, redevelopment often comes at a high cost for the existing residents and business operators who have no equitable leadership that guarantees their inclusion in the bright future outlined in typical planning documents.

By commissioning this study, Montgomery County is demonstrating its concern to mitigate the negative impacts associated with redevelopment. However, tools left in the box just gather dust. Our team hopes that the County finds any combination of these tools practical, and prioritizes putting them into action within an expedited timeline. As one of the highest-income counties in the United States, Montgomery County is uniquely positioned to proactively prevent displacement. Successful implementation can demonstrate a willingness to take action on concerns represented, in part, by the recently passed Racial Equity Bill.

It is the independent retailers of Long Branch that this team hopes to benefit from this report. However, any vulnerable small business population under threat of displacement may benefit from the implementation of toolkits like this. If successful, demonstrated by independent retailer retention and equitable growth, Montgomery County may be celebrated in future case studies for how to protect vulnerable populations from displacement pressures and increase their access to an equitable future, while reinvesting in a more sustainable world.



PALS

PARTNERSHIP FOR ACTION LEARNING IN SUSTAINABILITY

Partnership for Action Learning in Sustainability

This toolkit was executed under the PALS umbrella as part of a collaboration with Montgomery County during the fall of 2019. PALS is administered by the National Center for Smart Growth at the University of Maryland, College Park. The campus-wide initiative harnesses the expertise of faculty and the ingenuity of students to help Maryland communities become more environmentally, economically, and socially sustainable. PALS facilitates innovative, affordable assistance for local governments by providing opportunities for University of Maryland graduate and undergraduate students to solve real-world problems in a classroom setting. The variety of disciplines collaborating through PALS allows partnering jurisdictions to address a wide range of challenges. Faculty incorporate a jurisdiction's specific issues and objectives into their course, while students apply academic concepts and inventive thinking to complete these projects. As an award-winning program, PALS is recognized throughout Maryland and across the country for delivering high-quality, actionable solutions that are focused on sustainability.

www.umdsmartgrowth.org/programs/pals

appendix

preserving community value of ethnically diverse retailers in Long Branch

1. endnotes
2. maps
3. business inventory
4. demographics
5. preliminary insight statements
6. preliminary recommendations
7. interviews

1. endnotes

1 Wang and Hernandez. 2017. Reconceptualizing Ethnic Retailing

2 Frey, William et al. 2010. State of Metropolitan America: On the Front Lines of Demographic Transformation.

3 See: Parham, Jason. “What We Get Wrong About ‘People of Color.”’ WIRED. November 26, 2019, www.wired.com/story/rethinking-phrase-people-of-color/; Widatalla, Nadra. “The term ‘people of color’ erases Black people. Let’s retire it.” Los Angeles Times. April 28, 2019. www.latimes.com/opinion/op-ed/la-oe-widatalla-poc-intersectionality-race-20190428-story.html.

4 Montgomery County Planning Department. 2013. Long Branch Sector Plan. www.montgomeryplanning.org/community/longbranch/documents/Long%20Branch%20Sector%20Plan%20-%20Approved%20and%20Adopted%20-%20WEB.pdf

5 Gerrit Knaap, as quoted in “Purple Line Communities Examine Opportunities ‘Beyond the Tracks.’” March 20, 2019. purplelinecorridor.org/news/purple-line-communities-examine-opportunities-beyond-the-tracks
Representative of CHEER during the PALS project team CoCreation Session. November 4, 2019.

6 Representative of CHEER during the PALS project team CoCreation Session. November 4, 2019.
U.S. Census. 2012. Survey of Business Owners by Industry, Gender, Race, and Ethnicity.

7 U.S. Census. 2012. Survey of Business Owners by Industry, Gender, Race, and Ethnicity.

8 Melissa Williams, in conversation with the class on September 9, 2019.

9 Interview with Long Branch Retailer #5. September 30, 2019.

10 Montgomery County Department of Planning. 2017. Commercial/Residential and Employment Zones: Incentive Density Implementation Guidelines. montgomeryplanning.org/wp-content/uploads/2018/01/Commercial-Residential-Zone-and-Employment-Guidelines-FOR-WEB.pdf.

11 Montgomery County land use lawyer Jeffrey Zyontz, in conversation with the author, November 4, 2019.

12 Alexandria, Virginia Municipal Code. Article IV, Sec 4-1400 and Article VI, Sec. 6-600 and Sec. 6-700. See a summary at “Arlandria Neighborhood Quick Facts,” www.alexandriava.gov/uploadedFiles/planning/info/Arlandria/ArlandriaNeighborhoodQuickFacts.pdf.

13 Shaun Smith Alexandria Department of Planning, in conversation with the PALS project team. October 14, 2019.

14 LaVecchia, Olivia and Mitchell, Stacy. 2016. Affordable Space How Rising Commercial Rents Are Threatening Independent Businesses, and What Cities Are Doing About It. Institute for Local Self-Reliance.

15 Montgomery County Planning Department. 2013. Long Branch Sector Plan.

16 The Maryland-National Capital Park and Planning Commission. 2017. Commercial/Residential and Employment Zones: Incentive Density Implementation Guidelines.

17 LaVecchia, Olivia. 2018. In Cities Around the Country, New Action on Commercial Affordability. Institute for Local Self-Reliance. ilsr.org/new-action-on-commercial-affordability.

18 Ilana Preuss with Recast City during the PALS project team CoCreation Session. November 4, 2019.

19 Montgomery County Department of Housing and Community Affairs. “Summary of the MPDU Program and Its Requirement.”

20 New York City Mayor’s Office, 2017. East New York Neighborhood Plan: Progress Report. https://www1.nyc.gov/assets/operations/downloads/pdf/East-New-York-Report.pdf.

21 Prosper Portland. Affordable Commercial Tenanting Program Lents Town Center. https://prosperportland.us/portfolio-items/affordable-commercial-tenanting.

22 LaVecchia, Olivia. 2018. In Cities Around the Country, New Action on Commercial Affordability. Institute for Local Self-Reliance. ilsr.org/new-action-on-commercial-affordability.

23 Sanna, J. 2017. Cambridge City Council OKs Central Square rezoning. So, what will it do? https://cambridge.wickedlocal.com/news/20170228/cambridge-city-council-oks-central-square-rezoning-so-what-will-it-do

24 Sanna, J. 2017. Cambridge City Council OKs Central Square rezoning. So, what will it do? https://cambridge.wickedlocal.com/news/20170228/cambridge-city-council-oks-central-square-rezoning-so-what-will-it-do

25 LaVecchia, Olivia. 2016. “How Rising Commercial Rents Are Threatening Independent Businesses, and What Cities Are Doing About It.” Institute for Local Self-Reliance. https://ilsr.org/affordable-space/.

26 Interview with Long Branch Retailer #1, September 23, 2019.

27 Interview with Long Branch Retailer #2. September 23, 2019.

28 Gross, Julian. 2008. “Community Benefits Agreements: Definitions, Values, and Legal Enforceability.” Journal of Affordable Housing.

29 “Community Benefits 101.” n.d. The Partnership For Working Families. https://www.forworkingfamilies.org/page/community-benefits-101

30 US2. 2019. Community Benefits Agreement Term Sheet.

31 Montgomery County Planning Department. n.d. “Commercial Residential Zones.” Montgomery Planning. https://montgomeryplanning.org/development/zoning/commercial-residential-zones/

32 Montgomery County Planning Department. 2017. “Commercial/Residential and Employment Zones: Incentive Density Implementation Guidelines.”
33 Interview with Nohely Alvarez. October 24, 2019.
34 Interview with Judy Stevenson. October 10, 2019.
35 Interview with Julio Murillo. October 1, 2019; Interview with Judy Stevenson. October 10, 2019; Interview with Paul Grenier. October 25, 2019.
36 Long Branch Retailer #6. October 25, 2019; Paul Grenier of Montgomery Housing Partnership during PALS project team CoCreation Session. November 4, 2019.
37 Long Branch Retailer #6. October 25, 2019; Paul Grenier of Montgomery Housing Partnership during PALS project team CoCreation Session. November 4, 2019.
38 Long Branch Retailer #1. September 23, 2019
39 Detroit Economic Growth Corporation. 2017. “District Business Liaisons.” http://www.degc.org/district-business-liaisons/
40 City of Boston. 2008. “City’s Neighborhood Services Coordinators to Hold Office Hours in Community.” https://www.cityofboston.gov/news/default.aspx?id=3799
41 Mayor Thomas Menino, as quoted in: City of Boston. 2008. “City’s Neighborhood Services Coordinators to Hold Office Hours in Community.” https://www.cityofboston.gov/news/default.aspx?id=3799
42 City of New York Small Business Services. 2019. “Neighborhood 360 Fellows.” https://www1.nyc.gov/site/sbs/neighborhoods/leadership-development.page#360fellows
43 Montgomery County Government. 2017. “Small Business Assistance Program (SBAP) Application.” https://www.montgomerycountymd.gov/Finance/Resources/Files/SBAP.pdf
44 Montgomery County Council. 2015. “Approval of Executive Regulation 24-12AM, Small Business Assistance Program: Resolution no. 18-345.”
45 Wascalus, Jacob. 2014. “Helping Small Business Survive Big Construction: Strategies from the Green Line LRT Project.” https://www.minneapolisfed.org/article/2014/helping-small-businesses-survive-big-construction-strategies-from-the-green-line-lrt-project
46 Interview with Judy Stevenson. October 10, 2019
47 Long Branch Business League. July 2019. “Long Branch Business News.”
48 Personal Communication with Business League Member. October 29, 2019
49 Minority Business Development Agency. 2019. “Minority-Owned Businesses Face Critical Challenges.” https://www.mbda.gov/news/press-releases/2008/10/minority-owned-businesses-face-critical-challenges
50 Jared Weitz. 2018. “Why Minorities Have so Much Trouble Accessing Small Business Loans.” https://www.forbes.com/sites/forbesfinancecouncil/2018/01/22/why-minorities-have-so-much-trouble-accessing-small-business-loans/#5b35c51f55c4
51 Montgomery County Council. 2015. “Bill No. 48-14.” https://www.montgomerycountymd.gov/PRO/Resources/Files/OBRC/MFD_Bill_48-14.pdf
52 Montgomery County Council. 2019. “Bill No. 27-19.” https://www.montgomerycountymd.gov/council/Resources/Files/agenda/col/2019/20190917/20190917_5C.pdf
53 Policy Link. 2013. “Business Impact Mitigations for Transit Projects.”
54 Maryland Department of Transportation. 2019. “Office of Minority and Business Enterprise.” http://www.mdot.maryland.gov/newMDOT/MBE/Index.html
55 Samuels, Roberts. 2019. “In Syracuse, a Road and Reparations.” Washington Post. https://www.washingtonpost.com/nation/2019/10/20/how-crumbling-bridge-syracuse-is-sparking-conversation-about-reparations/?arc404=true
56 Solar Energy Industries Association. 2018. “Solar ITC 101.” https://www.seia.org/initiatives/solar-investment-tax-credit-itc
57 Montgomery County Government. 2019. “Business Funding and Incentives.” https://www.montgomerycountymd.gov/Biz-Resources/business-financing.html#SBAP
58 Howard, Craig and Bryant, Stephanie. 2015. “Case Studies of Local Business and Community Districts.” https://www.montgomerycountymd.gov/OLO/Resources/Files/2015_Reports/OLO%20Report%202015-7.pdf
59 City of Atlanta. 2019. “Community Improvement Districts.” https://www.atlantaga.gov/government/departments/city-planning/office-of-housing-community-development/economic-development-division/community-improvement-districts\
60 Developer Consultant in conversation with PALS project team on October 4, 2019.
61 Interview with Judy Stevenson. October 10, 2019.
62 Long Branch Business League Members. PALS project team CoCreation Session. November 4, 2019.
63 Long Branch Retailer #5. September 30, 2019.
64 Lee, Wonhyung. 2016. “Struggles to form business improvement districts (BIDs) in Los Angeles.”

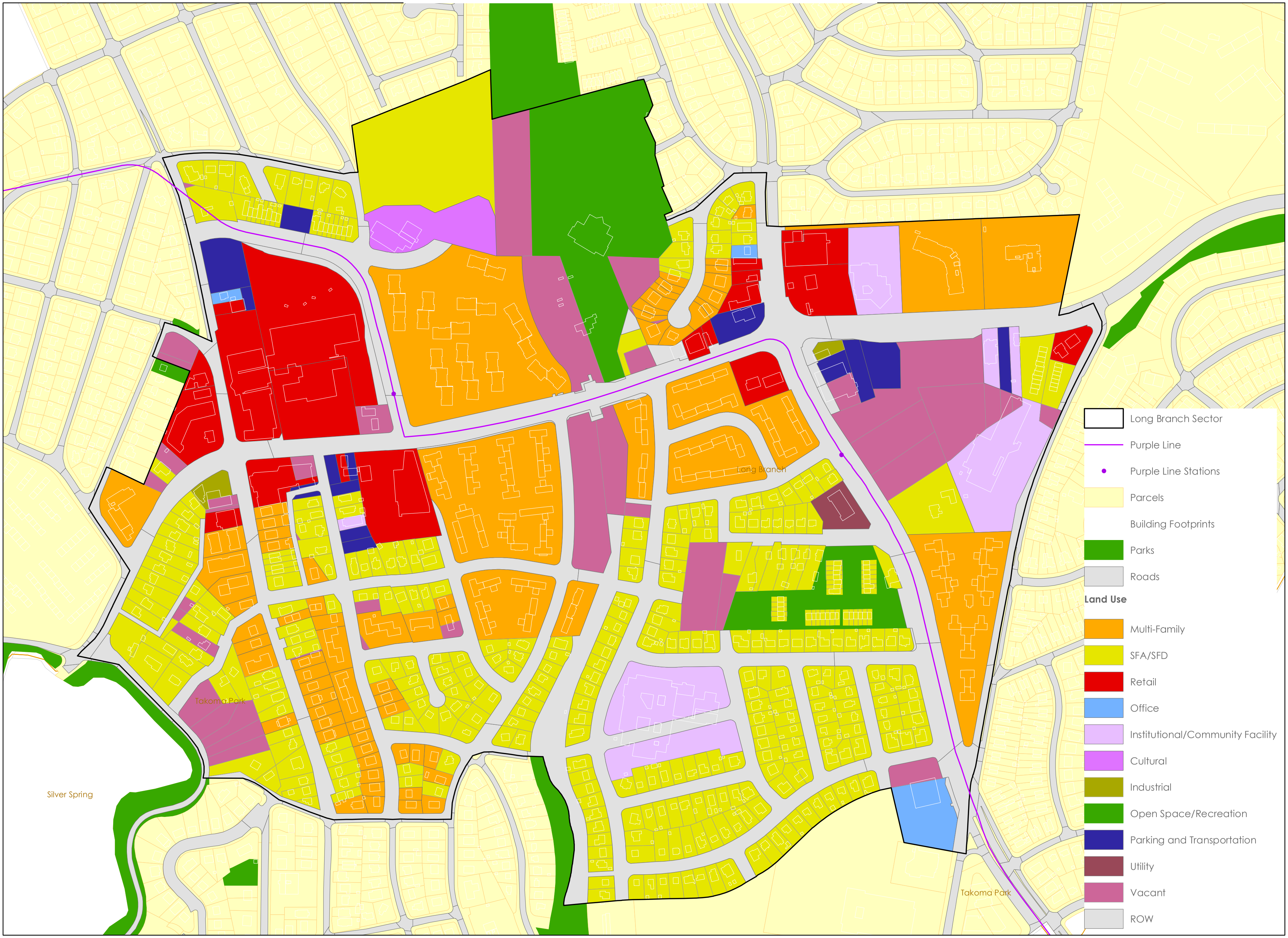
65 Lee, Wonhyung. 2016. “Struggles to form business improvement districts (BIDs) in Los Angeles.”.
66 Lee, Wonhyung. 2016. “Struggles to form business improvement districts (BIDs) in Los Angeles.”.
67 Lee, Wonhyung. 2016. “Struggles to form business improvement districts (BIDs) in Los Angeles.”.
68 Kansas City Economic Development Corporation. 2014. “What is a Community Improvement District and What Does it Do?” https://edckc.com/what-is-a-cid/
69 Lauber, Joseph. 2000. “Public Private Partnership in Community Development.” https://www.laubermunicipal-law.com/assets/Mo-Bar-CID-Article-2003.pdf
70 City of Columbia, Missouri. 2018. “Community Improvement Districts.” https://www.discoverthedistrict.com/pdf/cid.pdf
71 City of Grandview. 2018. “Community Improvement Districts.” https://www.grandview.org/home/showdocument?id=289
72 City of Grandview. 2018. “Community Improvement Districts.” https://www.grandview.org/home/showdocument?id=289
73 New Jersey Department of Community Affairs. 2019. “Frequently Asked Questions: Improvement District Programs.” https://www.nj.gov/dca/divisions/lps/idp_faq.html#1
74 New Jersey Department of Community Affairs. 2019. “Downtown Business Improvement Zone Loan Fund.” https://www.nj.gov/dca/divisions/dhcr/rfp/pdf/ms_dbiz_gl.pdf
75 Metcalf, Andrew. 2018. “Downtown Silver Spring Property Owners Exploring Potential Business Improvement District.” https://bethesdamagazine.com/bethesda-beat/government/downtown-silver-spring-property-owners-exploring-potential-business-improvement-district/
76 Reed, Dan. 2018. “Business Improvement Districts are expanding across the Washington region. What’s a BID anyway?” https://ggwash.org/view/67790/silver-spring-wants-to-create-a-business-improvement-district-what-is-a-bid
77 Reed, Dan. 2018. “Business Improvement Districts are expanding across the Washington region. What’s a BID anyway?”https://ggwash.org/view/67790/silver-spring-wants-to-create-a-business-improvement-district-what-is-a-bid.
78 Interview with Long Branch Retailer #1, September 23, 2019.
79 LaVecchia, Olivia and Stacy Mitchell. 2016. “Affordable space: how rising commercial rents are threatening independent businesses, and what cities are doing about it.” Institute for Local Self-Reliance.
80 Montgomery County Department of Housing and Community Affairs, Office of Landlord-Tenant Affairs. 2018. “Landlord-Tenant Handbook.” https://montgomerycountymd.gov/DHCA/Resources/Files/housing/landlordtenant/handbook_olta_eng.pdf.
81 Montgomery County Department of Housing and Community Affairs, Office of Landlord-Tenant Affairs. 2019. “Landlord-Tenant Handbook.” https://www.montgomerycountymd.gov/DHCA/housing/landlordtenant/leases.html.
82 Maryland Legal Aid website. n.d. “Get Help & Services.” Maryland Legal Aid (blog). https://www.mdlab.org/get-help-services/
83 Bar Association of Montgomery County Maryland. n.d. “Pro Bono Legal Assistance - Bar Association of Montgomery County Maryland.” https://www.barmont.org/page/116.
84 Maryland Volunteer Lawyers Service. n.d. “Home.” https://mvlslaw.org/.
85 Betesh, Marc E., and Nancy M. Davids. 2009. “Negotiating Common Area Maintenance Costs.” *Probate & Property.*
86 United States Federal Reserve System. 2019. “Report on Employer Firms: Small Business Credit Survey.” https://www.fedsmallbusiness.org/medialibrary/fedsmallbusiness/files/2019/sbcs-employer-firms-report.pdf
87 Opportunity Fund Community Development. 2015. “Four Types of Businesses that Typically Don’t Qualify for Bank Loans, and Why.” https://www.opportunityfund.org/4-types-of-businesses-that-typically-dont-qualify-for-bank-loans-why/
88 Federal Reserve Bank of Atlanta. 2019. “Small Business Lending Trends in the Southeast.” https://www.frbatlanta.org/economy-matters/banking-and-finance/viewpoint/2019/06/18/small-business-lending-trends-in-the-southeast
89 Forbes Council. 2018. “Overcoming Top Small Business Marketing Challenges.” https://www.forbes.com/sites/theyec/2018/05/02/overcoming-top-small-business-marketing-challenges/#749e2c7775a1
90 Institute for Local Self Reliance. 2019. “Local Purchasing Preferences.” https://ilsr.org/rule/local-purchasing-preferences/
91 Montgomery County Government. 2017. “Local Small Business Reserve Program.” https://www.montgomerycountymd.gov/PRO/Resources/Files/Reports/LSBRPAnnualReportFY16.pdf
92 Montgomery County Government. 2017. “Local Small Business Reserve Program.” https://www.montgomerycountymd.gov/PRO/Resources/Files/Reports/LSBRPAnnualReportFY16.pdf.
93 Montgomery County Government.. 2019. “Local Small Business Reserve Program.” https://www.montgomerycountymd.gov/pro/dbrc/lsbrp.html
94 Long Branch Retailer #6. October 24, 2019.

95 Interview with Judy Stevenson. October 10, 2019.
96 Harvard Kennedy School for Democratic Governance and Innovation. 2015. “Case Study: Chicago Licensing and Permitting Reform.” https://datasmart.ash.harvard.edu/news/article/case-study-chicago-licensing-and-permitting-reform-647
97 LaVecchia, Olivia and Mitchell, Stacy. 2016. “Affordable space: how rising commercial rents are threatening independent businesses, and what cities are doing about it.” Institute for Local Self-Reliance.
98 United States Federal Reserve System. 2019. “Report on Employer Firms: Small Business Credit Survey.” https://www.fedsmallbusiness.org/medialibrary/fedsmallbusiness/files/2019/sbcs-employer-firms-report.pdf
99 Minority Business Development Agency. (2019). “Minority-Owned Businesses Face Critical Challenges.” https://www.mbda.gov/news/press-releases/2008/10/minority-owned-businesses-face-critical-challenges
100 Jemmett, Phil. October 29, 2013. “Is a National Credit Tenant the Best Choice for My Retail Property?.” https://www.huffpost.com/entry/is-a-national-credit-tenant_b_4171368
101 Institute for Local Self-Reliance. 2019. “Local Purchasing Preference: Cleveland.” https://ilsr.org/rule/local-purchasing-preferences/local-purchasing-preference-cleveland/
102 Institute for Local Self-Reliance. 2019. “Local Purchasing Preference: Indiana.” https://ilsr.org/rule/local-purchasing-preferences/2724-2/
103 Institute for Local Self-Reliance. 2019. “Local Purchasing Preference: Los Angeles.” https://ilsr.org/rule/local-purchasing-preferences/2726-2/
104 Montgomery County Department of Finance. 2019. “County Taxes Reviews and Bulletins: Semi-annual Tax Payment Program.” https://www.montgomerycountymd.gov/finance/taxes/review.html
105 California State Government. 2019. “Small Business Finance Center.” http://www.ibank.ca.gov/small-business-finance-center/
106 California State Government: IBank. 2017. “Small Business Finance Center: Annual Report to the Governor and Legislature.” http://www.ibank.ca.gov/wp-content/Documents/SBFC/SBLGP/Annual%20Report%20FY%2016-17%2012.20.17.pdf
107 San Francisco Planning. 2019. “Small Business.” https://sfplanning.org/permit/small-businesses
108 San Francisco Planning. 2019. “Community Business Priority Processing Program (Cb3p).” https://sfplanning.org/sites/default/files/forms/cb3p_application.pdf
109 Montgomery County Government. 2017. “Local Small Business Reserve Program.” https://www.montgomerycountymd.gov/PRO/Resources/Files/Reports/LSBRPAnnualReportFY16.pdf
110 Montgomery County Department of Finance. 2019. “County Taxes: Tax Information.” https://www.montgomerycountymd.gov/Finance/taxes/info.html
111 LaVecchia, Olivia and Stacy Mitchell. 2016. How Rising Commercial Rents Are Threatening Independent Businesses, and What Cities Are Doing About It. Institute for Local Self-Reliance. Pg 16. https://ilsr.org/affordable-space/
112 Interview with Long Branch Retailers, Appendix
113 Interview with Long Branch Retailer #3, September 30th, 2019.
114 Davis, John Emmeus. The Community Land Trust Reader. Cambridge: Lincoln Institute of Land Policy, 2010. Pg. 241. http://search.ebscohost.com/login.aspx?direct=true&db=nlebk&AN=549079&site=ehost-live
115 Ibid, Pg. 260
116 Brown, Emily and Ted Ranney. 2015. Community Land Trusts and Commercial Properties. https://pdfslide.us/documents/commercial-community-land-trusts.html
117 Douglass Community Land Trust. “Origins.” http://douglassclt.org; Building Bridges across the River. 2018. 11th Street Bridge Park’s Equitable Development Plan. https://bbardc.org/wp-content/uploads/2018/10/Equitable-Development-Plan_09.04.18.pdf; Jamison, Peter. October 2, 2019. “Could a community land trust help solve D.C.’s gentrification crisis?” Washington Post.
118 Grabar, Henry. December 5, 2014. “Part Land Bank, Part Community-Focused Credit Line.” CityLab. https://www.citylab.com/equity/2014/12/part-land-bank-part-community-focused-credit-line/383417/.
119 Urban Land Conservancy. 2011. Holly Area Redevelopment Project. https://www.urbanlandc.org/wp-content/uploads/2011/10/HARP-RFSI.pdf.
120 Urban Land Conservancy. 2011. Holly Area Redevelopment Project. https://www.urbanlandc.org/wp-content/uploads/2011/10/HARP-RFSI.pdf.
121 Urban Land Conservancy. “Who We Are.” https://www.urbanlandc.org/about/
122 Rosenberg, Greg and Jeffrey Yuen. 2012. Beyond Housing: Urban Agriculture and Commercial Development by Community Land Trusts. Lincoln Institute of Land Policy. https://community-wealth.org/sites/clone.community-wealth.org/files/downloads/paper-rosenburg-yuen.pdf.
123 City of Seattle. September 2017. Legacy Business Study.
124 City of Seattle. September 2017. Legacy Business Study.

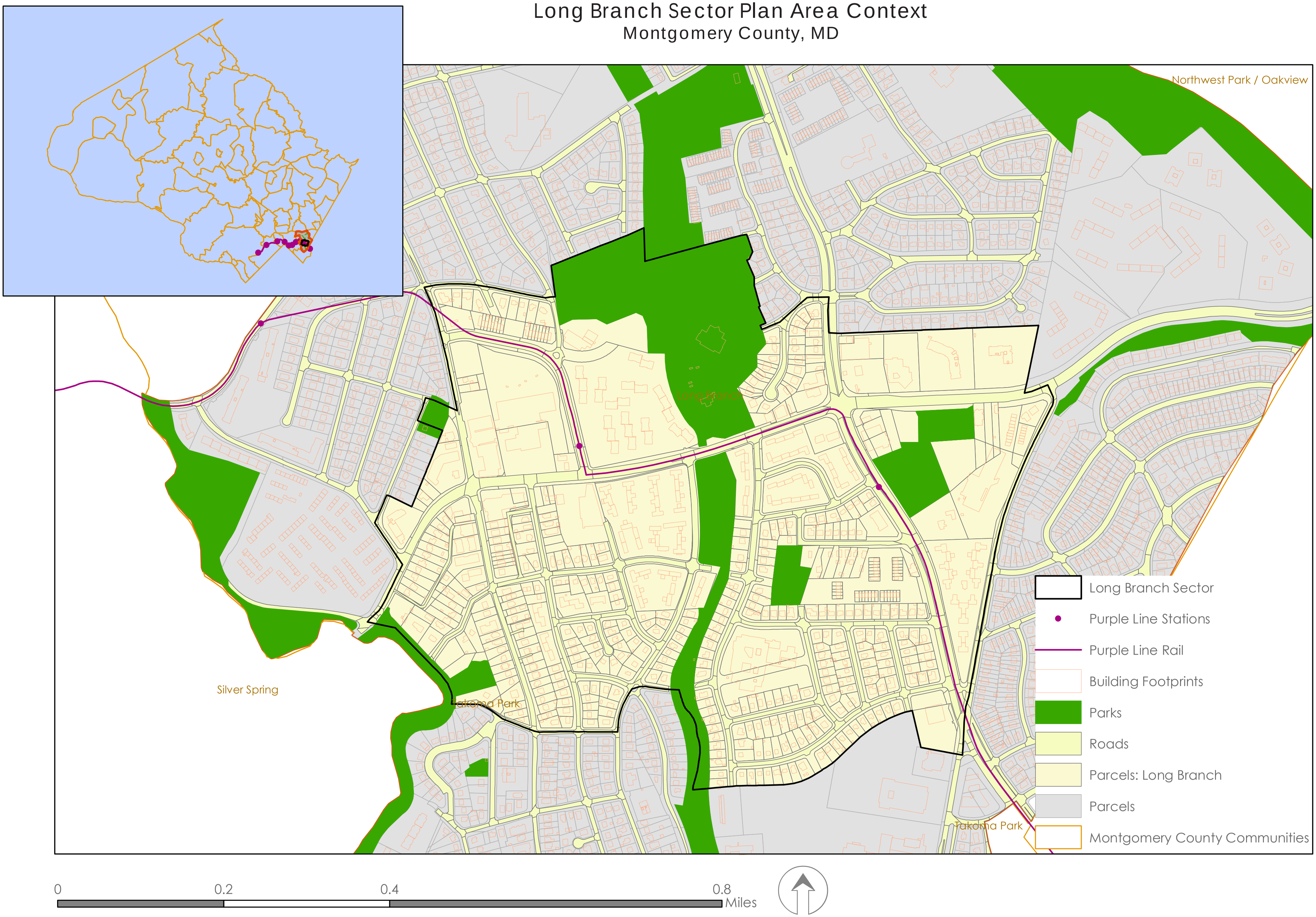
125 Meltzer, Rachel. July 13, 2016. “Gentrification and Small Business: Threat or Opportunity?”. https://www. philadelphiafed.org/-/media/community-development/events/2016/
126 City of Seattle Legacy Business Study. September 2017.
127 SF Heritage. http://www.sfheritage.org/legacy/
128 SF Heritage., http://www.sfheritage.org/legacy/legacy-business-registry-preservation-fund/]
129 City of San Francisco Office of Small Business. https://sfosb.org/legacy-business
130 Shari Biediger. January 17, 2018. “City to Recognize Legacy Businesses, Pilot World Heritage Grant Program”. https://therivardreport.com/city-to-recognize-legacy-businesses-pilot-world-heritage-grant-program/
131 City of San Antonio Office of Economic Development. https://www.sanantonio.gov/Portals/0/Files/WorldHeritage/WorkPlanUpdates/EconomicDevelopment/180223%20-%20World%20Heritage%20Business%20Grant%20Pilot%20Program.pdf?ver=2018-02-23-164456-807
132 City of Seattle Office of Economic Development. https://www.seattle.gov/office-of-economic-development/small-business/access-to-capital-for-small-businesses/legacy-business-program
133 City of Seattle, Office of Economic Development. https://www.seattle.gov/office-of-economic-development/small-business/access-to-capital-for-small-businesses/tenant-improvement-fund-pilot
134 City of Seattle, Office of Economic Development. https://www.seattle.gov/office-of-economic-development/small-business/access-to-capital-for-small-businesses/stabilization-fund-pilot
135 Interview with Paul Grenier. September 6, 2019.
136 Montgomery County Planning Department. 2019. “About Thrive Montgomery 2050.” https://montgomeryplanning.org/planning/master-plan-list/general-plans/thrive-montgomery-2050/about-thrive-montgomery-2050/
137 Montgomery County Planning Department. “Long Branch Festival Week.” https://montgomeryplanning.org/events/long-branch-festival-week/
138 Fan, Yingling. 2016. “The Future of U.S. Transit is in Regional Place-Making (Part 1)”. Global Transit Blog. https://globaltransitblog.wordpress.com/2016/05/02/the-future-of-u-s-transit-is-in-regional-place-making-part-i/
139 “What is Placemaking”. Project for Public Spaces. www.pps,org/placemaking.
140 Steuteville, Robert. 2014. “Four Types of Placemaking”.
141 “The Placemaking Process”. Project for Public Spaces. www.pps.org/article/5-steps-to-making-places.
142 Montgomery County Planning Department. 2015. “Silver Spring Placemaking.” http://www.montgomeryplanning.org/community/silverspring/placemaking.shtm
143 Long Branch Sector Plan: Design Guidelines. 2013. https://www.montgomeryplanning.org/community/longbranch/documents/Long%20Branch%20Design%20Guidelines%20-%20FINAL%20DRAFT%20-%20WEB.pdf
144 Montgomery County Planning Department. 2019. Greater Lyttonsville Sector Plan. https://www.montgomeryplanning.org/community/lyttonsville/documents/LyttonsvillePBD_web.pdf
145 DeMaina, Daniel. 2018. “Arlington property registry addresses commercial vacancies.” Massachusetts Municipal Association. https://www.mma.org/arlington-property-registry-addresses-commercial-vacancies/
146 Silberberg, Susan, Katie Lorah, Rebecca Disbrow, and Anna Muessig. 2013. “Places in the making: How placemaking builds places and communities.” Massachusetts Institute of Technology, Department of Urban Studies and Planning.
147 Cleveland Department of Community Development. http://www.city.cleveland.oh.us/node/3040
148 Wascalus, Jacob. 2017. “Helping businesses and neighborhoods thrive through creative placemaking.” Federal Reserve Bank of Minneapolis. https://www.minneapolisfed.org/article/2017/helping-businesses-and-neighborhoods-thrive-through-creative-placemaking
149 Wascalus, Jacob. 2017. “Helping businesses and neighborhoods thrive through creative placemaking.” Federal Reserve Bank of Minneapolis. https://www.minneapolisfed.org/article/2017/helping-businesses-and-neighborhoods-thrive-through-creative-placemaking
150 PolicyLink. 2013. “Business Impact Mitigations for Transit Projects.”
151 Seattle Office of Economic Development. “Small Business Tenant Improvement Fund Pilot” https://www.seattle.gov/office-of-economic-development/small-business/access-to-capital-for-small-businesses/tenant-improvement-fund-pilot

2. maps

Long Branch Sector Plan Area Land Use
Montgomery County, MD



Long Branch Sector Plan Area Context
Montgomery County, MD

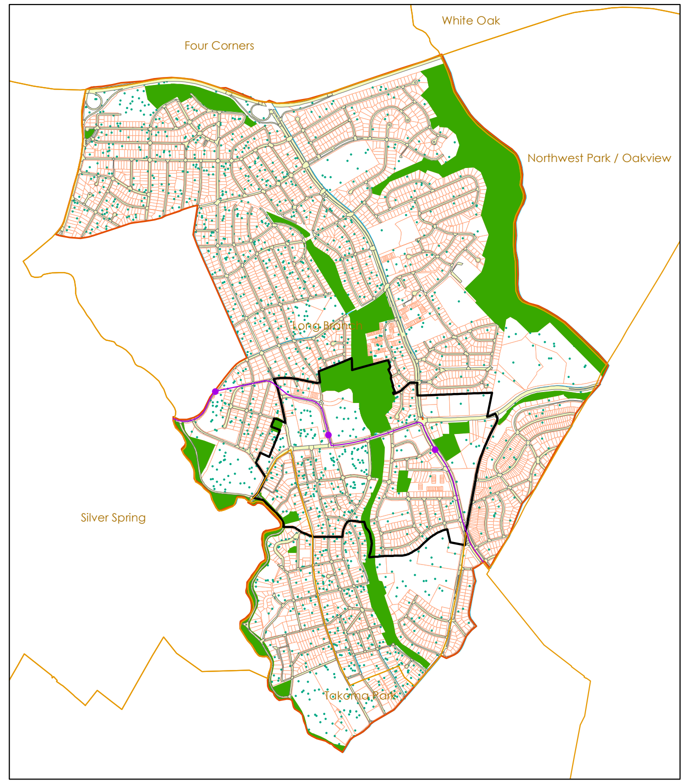


Long Branch Population Density by Race/Ethnicity

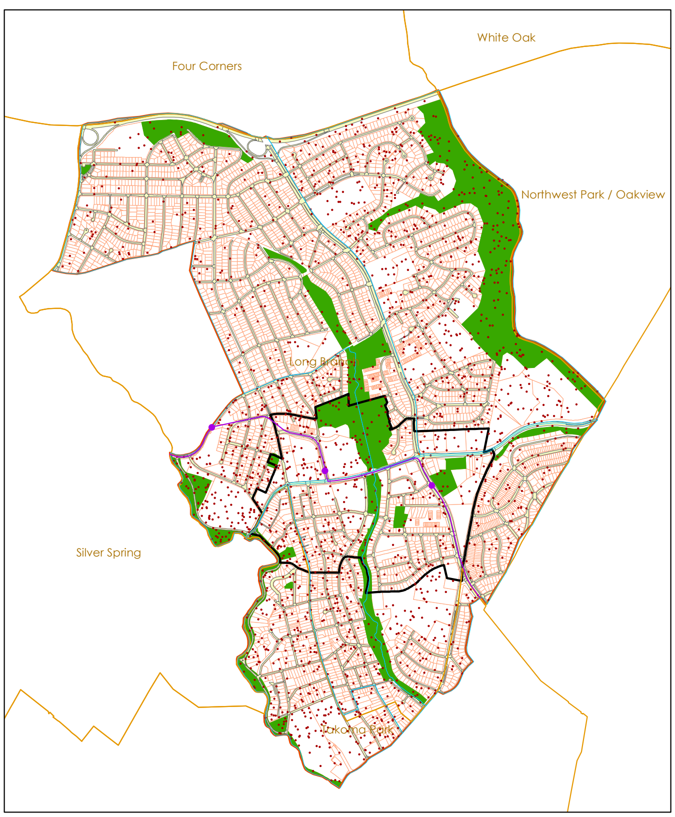
Montgomery County, MD

Hispanic/Latino

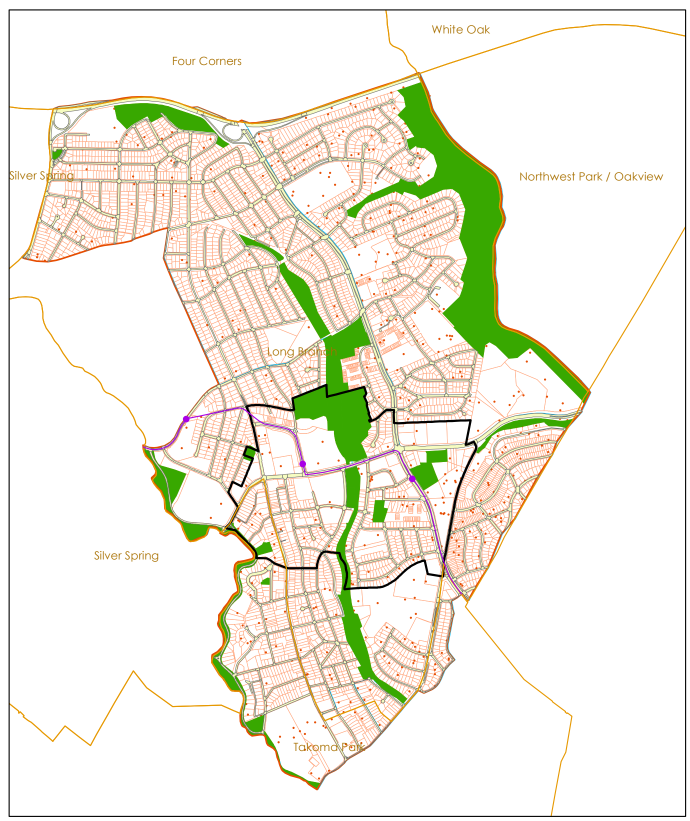
White Alone



Black Alone



Asian Alone



Long Branch Sector

Purple Line Rail

Purple Line Stations

Parks

Roads

Population Density

1 Dot = 3

Hispanic_Total

White_Alone

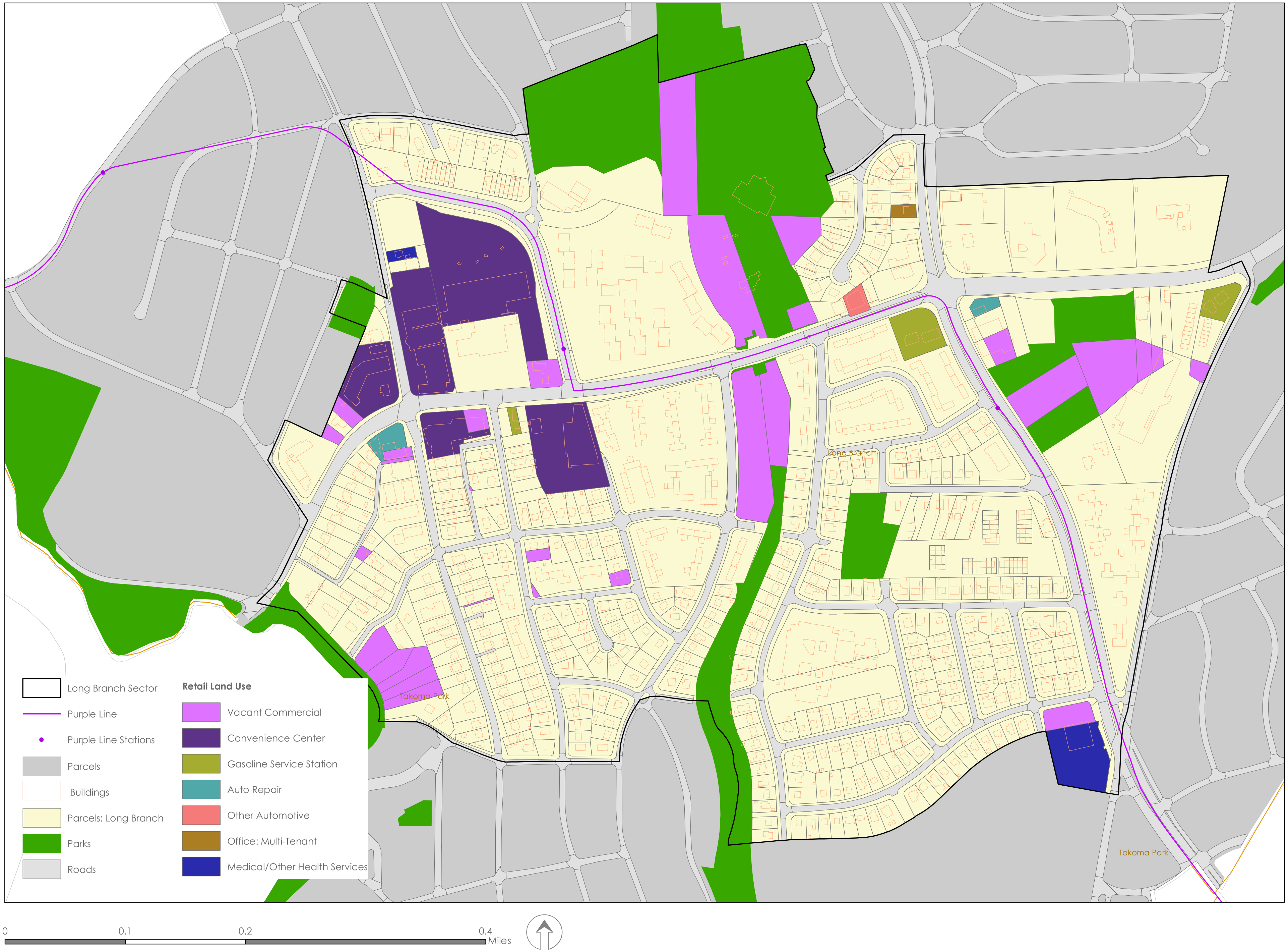
Black_Alone

Asian_Alone

0 0.25 0.5 1 Miles

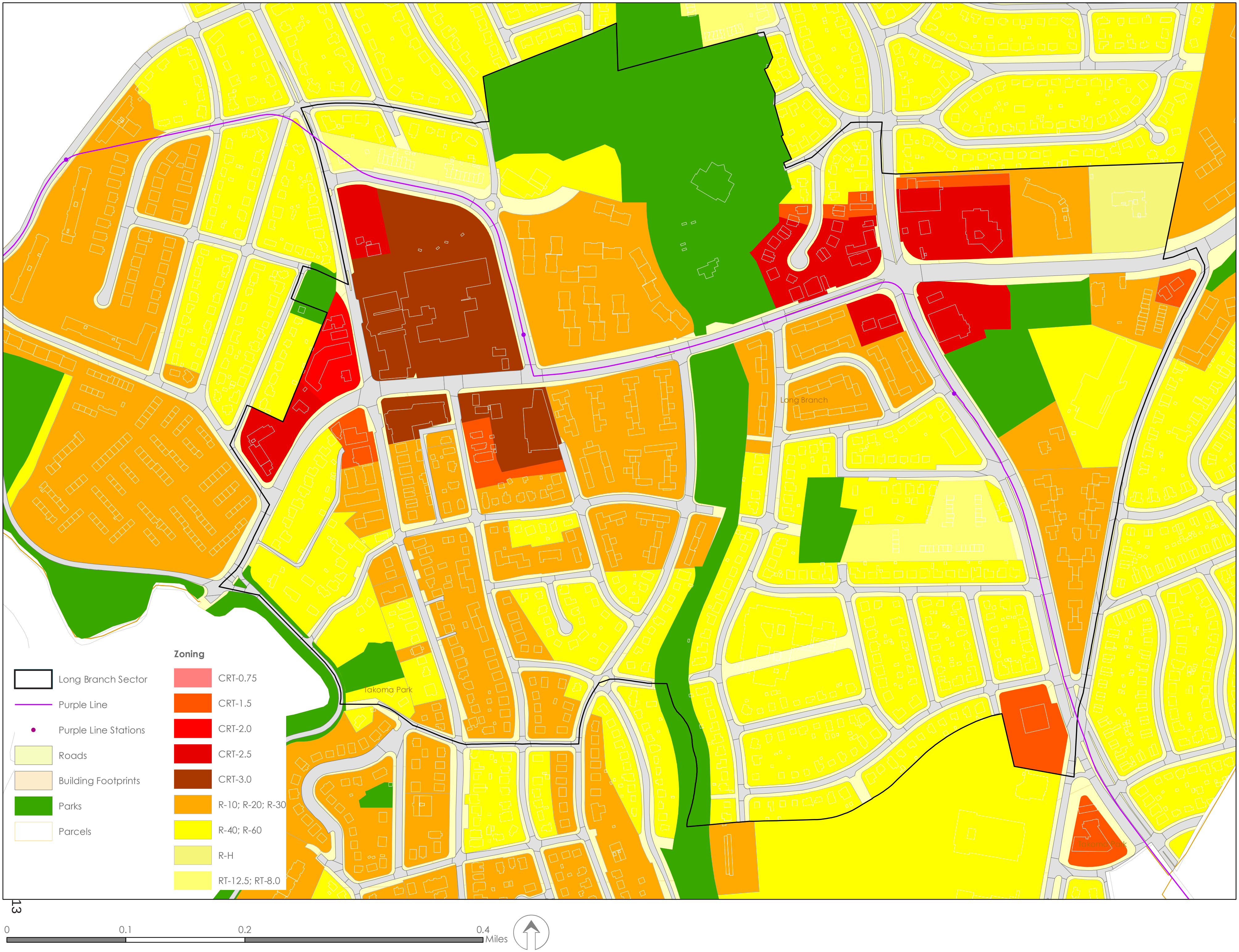
Long Branch Sector Plan Area Commercial Land Use

Montgomery County, MD



Long Branch Zoning Context

Montgomery County, MD



3. business inventory

Category	Company	Address	First Name	Last Name	Position	Building Condition	Storefront Condition	est. sq. footage UNIT	Parking Availability	SDAT property owner data	Property Owner Address	Notes
Fast Food Restaurant	**7-11**	8472 Piney Branch Rd				Good	Good	2,500	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	
Grocery	**Adarash Market & Carry Out**	8706 Flower Ave	Ali	Faris	Owner (Terefe is cashier)	Good	Needs Maintenance	3500	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	Awning discolored
Business services	**Agape Travel and Tours**	8545 J Piney Branch Rd				Needs maintenance	Needs Maintenance	2400	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	
Personal Services (salons etc.)	**Allstate**	8478 Piney Branch Rd	Mohamed	Bajwa	Owner/Agent	Good	Good	1240	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	
Personal Services (salons etc.)	**America Hair Design**	8515 Piney Branch Rd	Myriam	Lemus	Owner	Good	Good	1760	priv. owned off-street	JBG/PINEY BRANCH RETAIL LLC	4445 Willard Ave, Suite 400, Chevy Chase, MD	Changing to "Mejor de Tipo"
Grocery	**Americana Grocery of Maryland**	8541 Piney Branch Rd	Joe	Rodriguez	CEO	Needs maintenance	Needs Maintenance	7282	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	Same as above
Personal Services (salons etc.)	**APN Driving School**	8545 Piney Branch Rd	Jean	Vil	Owner	Needs maintenance	Needs Maintenance	2400	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	
Personal Services (salons etc.)	**AQ Nails**	8729 Flower Ave				Good	Good	1000	priv. owned off-street	Flower Avenue Shopping Center LTD Partnership	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	
Apparel	**Bazar Karlaa**	8478 Piney Branch Rd	Samuel	Flores	Owner	Good	Good	1240	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	
Personal Services (salons etc.)	**Becerra Insurance Agency [MOVED]**	8545 Piney Branch Rd	Berta	Becerra	Owner	Needs maintenance	Needs Maintenance	700	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	Moved
Fast Food Restaurant	**Beijing Delight**	8646 Flower Ave, 8435 PB Rd	Sue	Wong	Owner	Good	Needs Maintenance	1621	priv. owned off-street	Gateway Property LLC	1018 Heartfields Dr, Silver Spring, MD	Well situated on the corner. Lots of parking in that position.
Grocery	**Bestway Maryland Supermarket**	8540 Piney Branch Rd	Man	Oh/Sharon Ocheltree	Owner/Manager	Good	Needs Maintenance	20403	priv. owned off-street	Piney Springs LLC	9300 B East Hampton Dr, Capitol Heights, MD 20743	
Personal Services (salons etc.)	**BSP Media Services**	8517 Flower Ave	Art	Cobb	Owner	Needs maintenance	Needs Maintenance	1500	priv. owned off-street	Beverly and Arthur Cobb	8517 Flower Ave, Takoma Park, MD 20912-6644	
Music & Other	**Capital One Bank**	8740 Arliss St, Silver Spring, MD 20901	Carlos	Celis	Manager	Good	Good	3782	priv. owned off-street	WASHREIT Takoma Park Shopping Center	C/O Wash Real Estate In Trust: 1775 I St, Suite 1000, Washington, DC	
Home Goods	**CASA Furniture**	8701 Flower Ave	Spiro			Good	Good	4388	priv. owned off-street	Flower Avenue Shopping Center LTD Partnership	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	
	Casa Viega	8709 Flower Ave	Simon/Joanna	Ventura	Owners	Good	Good	3314	priv. owned off-street	NO SDAT INFO		
Business services	**Cash Depot**	8476 Piney Branch Rd	Farhat	Cheema/Jorge Buano	Manager	Good	Good	1240	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	
Non-Retail	**Central Square Church Offices**	8541B Piney Branch Rd			Owner	Needs maintenance	Needs Maintenance	1000	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	
Fast Food Restaurant	**Chicken Loco**	8523 Piney Branch Rd	James	Song	Owner	Needs maintenance	Needs Maintenance	5000	priv. owned off-street	Piney Springs LLC	9300 B East Hampton Dr, Capitol Heights, MD 20743	Lots of signs! Logo is everywhere. Lots of employees. Bakery and restaurant
Non-Retail	**Communidad de habla hispana**	8519 Piney Branch Rd				Good	Needs Maintenance	3000	priv. owned off-street	JBG/PINEY BRANCH RETAIL LLC	4445 Willard Ave, Suite 400, Chevy Chase, MD	
Business services	**Continental Express**	8515 Piney Branch Rd				Good	Good	2000	priv. owned off-street	Leo Rodriguese	13168 Cabinwood Dr, Silver Spring, MD 20904-3122	Completely empty inside, but newly renovated. Table with flyers outside and music. Service for sending money or changing money
Electronics	**Cricket Wireless Authorized [CLOSED]**	8505 Piney Branch Rd				Needs maintenance	Needs Maintenance	1500	priv. owned off-street	JBG/PINEY BRANCH RETAIL LLC	4445 Willard Ave, Suite 400, Chevy Chase, MD	CLOSED
Music & Other	**Cyber Web Latino**	8703 Flower Ave	Patricio	Proano	Owner	Good	Good	2000	priv. owned off-street	Flower Avenue Shopping Center LTD Partnership	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	Cyber cafe and clothing store
Grocery	**Dashen Grocery Store**	8474 Piney Branch Rd	Seyoum	Zewde	Owner	Good	Good	1360	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	
Home Goods	**Dollar Century Plus**	8713 Flower Ave	Tai Lai H. and Vinh Q.	Lai, Hung Chau	Owners/Manager	Good	Good	7750	priv. owned off-street	Flower Avenue Shoping Center LTD	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	Vacant next to
Home Goods	**Dollar City**	8503 Piney Branch Rd	Steve	Sindu	Owner	Needs maintenance	Needs Maintenance	5100	priv. owned off-street	JBG/PINEY BRANCH RETAIL LLC	4445 Willard Ave, Suite 400, Chevy Chase, MD	Jam packed with product. Organized, but carpeting poor condition
Personal Services (salons, etc.)	**Dominican Power Workshop**	8435 B Piney Branch Rd				Good	Good	2200	priv. owned off-street	Gateway Property LLC	1018 Heartfields Dr, Silver Spring, MD	Upper floor
Fast Food Restaurant	**Domino's Pizza**	8700 Flower Ave	Marilyn	Caraway (sp?)	Owner	Good	Good	1545	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	
Grocery	**Dong Phuong Grocery [MOVED]**	8545 Piney Branch Rd	Linh	Nguyen	Owner	Needs maintenance	Needs Maintenance	7282	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	Moved to different location. This site now filled by Americana Grocery?
Personal Services (salons etc.)	**Dr. Figueredo & Associates Dental**	8722 Flower Ave, #7	Pablo A.	Figueredo	General Dentist	Needs maintenance	Needs Maintenance	1000	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	Bottom floor For lease
Fast Food Restaurant	**Eastern Carryout**	8555 Piney Branch Rd	Michael	Cheng	Manager	Needs maintenance	Needs Maintenance	1100	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	
Fast Food Restaurant	**El Arbol de Pan Panaderia**	8545 Piney Branch Rd	Juan Carlos	Ramirez	Owner	Needs maintenance	Needs Maintenance	3000	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	
Full-Service Restaurant	**El Gavilan**	8805 Flower Ave	Claudia	Rivera	Owner	Good	Good	3300	priv. owned off-street	8805 Flower Avenue Partnership	C/O Yoav Katz: 4641 Montgomery Ave #200, Bethesda, MD 20814-3428	
Full-Service Restaurant	**El Golfo**	8739 Flower Ave	Ada	Villatoro	Owner	Good	Good	4000	priv. owned off-street	Flower Avenue Shoping Center LTD	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	
Fast Food Restaurant	**El Pollo Sabroso [now Hola Chicken]**	8482 Piney Branch Rd	Uriel	Salas	Owner/Manager	Good	Good	1300	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	Now Hola Chicken

Non-Retail	**El Rosal Sewing Collaborative**	8703 Flower Ave	Edelsa y Karla			Good	Good	1700	priv. owned off-street	Flower Avenue Shopping Center LTD Partnership	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	
Business services	**Express Multiservice**	8703 Flower Ave #3				Good	Good	2000	priv. owned off-street	Flower Avenue Shoping Center LTD	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	
Electronics	**Famous Pawnbrokers (Pawn)**	8507 Piney Branch Rd	Alba	Franco	Manager	Needs maintenance	Needs Maintenance	2680	priv. owned off-street	JBG/PINEY BRANCH RETAIL LLC	4445 Willard Ave, Suite 400, Chevy Chase, MD	Many of these need new building signs. Electronics, musical instruments.
Grocery	**Flor Deli**	8703 Flower Ave	Jose	Lastarria	Subletter to Cyber Web	Good	Needs Maintenance	1800	priv. owned off-street	Flower Avenue Shopping Center LTD Partnership	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	Same as Flower Deli below
Personal Services (salons etc.)	**Flower Avenue Dental Clinic**	8722 Flower Ave, #7	Janet		Office Manager	Good	Good	2000	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	
Personal Services (salons etc.)	**Flower Barber Shop**	8721 Flower Ave	Diana/Todd	Lee/Lee	Owner/Manager	Good	Good	1500	priv. owned off-street	Flower Avenue Shopping Center LTD Partnership	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	
Grocery	**Flower Deli**	8707 Flower Ave	Hadi	Rastegar	Owner	Good	Needs Maintenance	1800	priv. owned off-street	Flower Avenue Shopping Center LTD Partnership	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	
Non-retail	**Flower Theater property**	8725 Flower Ave	Hamilton	Dasilva	Pastor/Owner (son = Ishmael)	Needs maintenance	Needs Maintenance	9200	priv. owned off-street	Flower Avenue Shopping Center LTD Partnership	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	
Liquor Store	**Flower Wine and Liquor Store**	8706 Flower Ave	Iyasu (Josh)	Asress	Manager	Good	Good	3500	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	
Personal Services (salons etc.)	**Freedom Hair Salon**	8536 Piney Branch Rd	Sicuong	Phu	Owner	Good	Needs Maintenance	1460	priv. owned off-street	Piney Springs LLC	9300 B East Hampton Dr, Capitol Heights, MD 20743	
Business services	**Futrovsky, Forster & Scherr (Abogados)**	8517 Piney Branch Rd	Myra	Rivera	Partner	Needs maintenance	Needs Maintenance	1800	priv. owned off-street	JBG/PINEY BRANCH RETAIL LLC	4445 Willard Ave, Suite 400, Chevy Chase, MD	Nice lobby area - sign all in spanish
Personal Services (salons etc.)	**Gentle East Martial Arts**	8749 Flower Ave	John	Holloway	Owner	Needs maintenance	Needs Maintenance	1000	priv. owned off-street	Flower Avenue Shopping Center LTD Partnership	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	
Grocery	**Giant Food, #66**	8750 Arliss St	Rafael	Gomez	(co-manager Ă Charlene)	Good	Good	46,000	priv. owned off-street	WASHREIT Takoma Park Shopping Center	C/O Wash Real Estate In Trust: 1775 I St, Suite 1000, Washington, DC	
Personal Services (salons etc.)	**Herbalife**	8547 A Piney Branch Rd				Needs maintenance	Needs Maintenance	1000	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	
Full-Service Restaurant	**Hola Chicken**	8482 Piney Branch Rd	Uriel	Salas	Owner/Manager	Good	Good	1000	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	
Personal Services (salons	**Hollywood Hair & Nail**	8551 Piney Branch Rd	Lucie	Le		Needs maintenance	Needs Maintenance	700	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	
Personal Services (salons etc.)	**Jasmine Hair**	8480 Piney Branch Rd				Good	Good	1240	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	
Personal Services (salons etc.)	**Keith's Laundromat**	8640 Greenwood Ave	Maria	Fuentes	Owner	Needs maintenance	Needs Maintenance	2600	priv. owned off-street	JBG/PINEY BRANCH RETAIL LLC	4445 Willard Ave, Suite 400, Chevy Chase, MD	Lots of patronage in the middle of the weekday
Home Goods	**L&F International Trade Inc.**	8708 Flower Ave	Yang & Michael	Lu	Vice President	Good	Good	1000	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	
Full-Service Restaurant	**La Pasion**	8484 Piney Branch Rd	Raul & Alicia	Chicas	Owners	Good	Good	1400	priv. owned off-street	Flower Associates	7200 Wisconsin Ave #1100, Bethesda, MD 20814	
Full-Service Restaurant	**La Posada**	8545 Piney Branch Rd	Rubia	Rivas	Owner	Needs maintenance	Needs Maintenance	4500	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	
Full-Service Restaurant	**Manna Restaurant [VACANT]**	8640 Flower Ave	Francisca/ Francisco	Marcial	Owners	Needs maintenance	Needs Maintenance	2350	priv. owned off-street	Marcial Properties	8640 Flower Ave, Takoma Park, MD 20912-6665	VACANT. MOVED TO HYATTSVILLE. Fire damage.
Business Services	**Mary Center [CLOSED]**	8709 Flower Ave	Zulma	Aparicio		Needs maintenance	Needs Maintenance	2875	priv. owned off-street	Flower Avenue Shopping Center LTD Partnership	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	Closed
Personal Services (salons, etc.)	**Montgomery Beauty School**	8736 Arliss St	Bettye	Poteat	Owner	Good	Good	2800	priv. owned off-street	WASHREIT Takoma Park Shopping Center	C/O Wash Real Estate In Trust: 1775 I St, Suite 1000, Washington, DC	
Electronics	**New World Wireless**	8705 Flower Ave	Keith	Jackson/Ray Castro	Owner/Manager	Good	Needs Maintenance	2800	priv. owned off-street	Flower Avenue Shopping Center LTD Partnership	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	Sheds out back deteriorating
Fast Food Restaurant	**Ocean City Seafood**	8745 Flower Ave	Nicholas	Ali	Owner/Manager	Good	Good	1000	priv. owned off-street	Flower Avenue Shoping Center LTD	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	Sign faded
Apparel	**Oligil Fashions**	8549 Piney Branch Rd	Juan and Maria	Olivo	Owner	Needs maintenance	Needs Maintenance	800	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	
Business services	**Oligil Shipping**	8549 Piney Branch Rd	Juan and Maria	Olivo	Owner	Needs maintenance	Needs Maintenance	800	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	same as above?
Personal Services (salons etc.)	**Pablo's Unisex Hair Salon**	8632 Flower Ave				Needs maintenance	Needs Maintenance	1200	priv. owned off-street	Stanley Wolpoff	7200 Wisconsin Ave #1100, Bethesda, MD 20814	
Automotive	**Piney Branch Shell**	8533 Piney Branch Rd	Jimmy	Tijane	Owner/Partner	Good	Good	3400	priv. owned off-street	EJRA Inc.	C/O Piney Branch Shell: 8533 Piney Branch Rd, Silver Spring, MD	Pupuseria truck in adjacent parking lot "pupuseria la guanaquita"
Automotive	**Quality Tune-up**	8537 Piney Branch Rd/8533 Piney Branch Rd bays	Raul	Castro	Owner	Needs maintenance	Needs Maintenance	2960	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	
Personal Services (salons etc.)	**Rainbow laundry**	8735 Flower Ave				Good	Needs Maintenance	3000	priv. owned off-street	Flower Avenue Shopping Center LTD Partnership	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	
Personal Services (salons etc.)	**Reliable Cleaners**	8736 Flower Ave	Yong & Helen	Kim	Owners	Good	Good	900	priv. owned off-street	Kim Hye Sook & Yong	8736 Flower Ave, Silver Spring, MD 20901-4034	
Drugstore/ Household Ă Personal Goods	**Roxana Gifts and Flowers**	8727 Flower Ave	Roxana	Vasquez	Owners	Good	Good	1000	priv. owned off-street	Flower Avenue Shoping Center LTD	C/O Harvey Property Management: 6708 Wisconsin Ave #360, Bethesda, MD 20815	
Business services	**Servi-con Tax**	8545-E Piney Branch Rd, Suite C	Claudia	Neira	Owners	Needs maintenance	Needs Maintenance	1000	priv. owned off-street	FLEITAS LLC	6135 Nevada Ave, Chevy Chase, MD 20815	
Personal Services (salons etc.)	**Skyward Travel Center**	8630-34 Flower Ave	Benito Victor	Castro	Owner	Good	Good	1130	priv. owned off-street	Stanley Wolpoff	7200 Wisconsin Ave #1100, Bethesda, MD 20814	Very nice interior, staff members inside

Non-Retail	**Spanish Speaking Community of Maryland**	8519 Piney Branch Rd	Maria	Herrera	Executive Director	Needs maintenance	Needs Maintenance	1000	priv. owned off-street	JBG/PINEY BRANCH RETAIL LLC	4445 Willard Ave, Suite 400, Chevy Chase, MD	Lobby waiting area with closed door to back area. What are their services?
Personal Services (salons etc.)	**Takoma Park Laundromat**	8435 Piney Branch Rd				Good	Good	2200	priv. owned off-street	Gateway Property LLC	1018 Heartfields Dr, Silver Spring, MD	Grime on the sidewalk
Non-Retail	**TESS Center**	8513 Piney Branch Rd	Maureen	Larenas	Manager	Needs maintenance	Needs Maintenance	3500	priv. owned off-street	JBG/PINEY BRANCH RETAIL LLC	4445 Willard Ave, Suite 400, Chevy Chase, MD	
Fast Food Restaurant	**Tropicana Restaurant**	8638 Flower Ave	Eugenio	Hernandez	Owner	Good	Good	1500	priv. owned off-street	Stanley Wolpoff	7200 Wisconsin Ave #1100, Bethesda, MD 20814	Big, very well decorated, Mexican, Peruvian and Salvadoran
Grocery	**Universal Supermarket**	8639 Flower Ave	John	Yu/George DeLeon	Owner/Manager	Needs maintenance	Needs Maintenance	3500	priv. owned off-street	JBG/PINEY BRANCH RETAIL LLC	4445 Willard Ave, Suite 400, Chevy Chase, MD	
Full-Service Restaurant	**Veronica's Café & Bakery**	8501 Piney Branch Rd	Anna	Salinas	Owner	Needs maintenance	Needs Maintenance	900	priv. owned off-street	JBG/PINEY BRANCH RETAIL LLC	4445 Willard Ave, Suite 400, Chevy Chase, MD	Bakery, cafe, restaurant. clean and organized interior but paint is peeling off the walls, etc.
Personal Services (salons etc.)	**Yard Makeovers**	8627 Flower Ave	Brian	Mahan	Owner	Needs maintenance	Needs Maintenance	1400	priv. owned off-street	David Mahan	C/O 8627 Flower Ave. LLC: 7304 Carroll Ave #226, Takoma Park, MD	Not bad - could use new signage
Business services	**ZP Tax**	8736 Flower Ave	Carlos	Perozo	Owner	Needs maintenance	Good	800	priv. owned off-street	Kim Hye Sook & Yong	8736 Flower Ave, Silver Spring, MD 20901-4034	

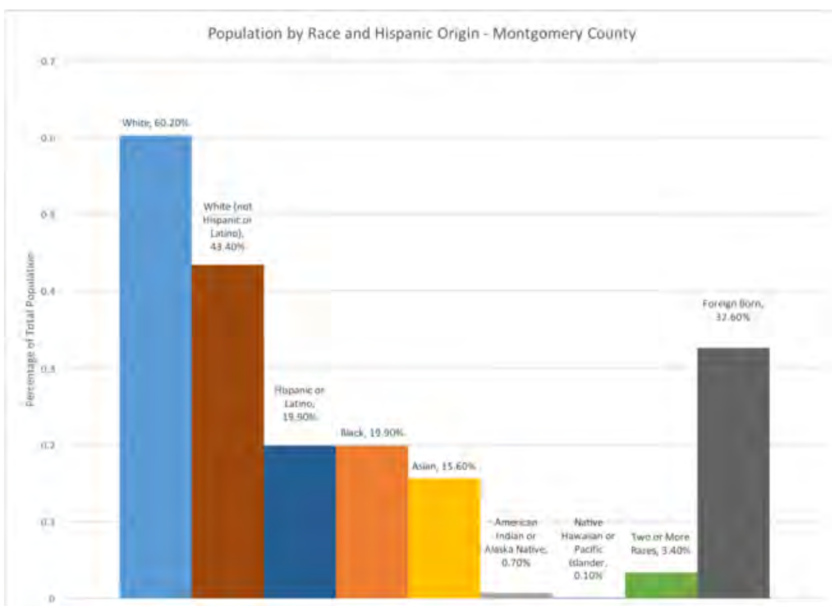
4. demographic analysis

Population

Montgomery County is Maryland's most populous jurisdiction, and it's also one of the most affluent[1]. It is the second largest county in the Washington, D.C. region and the 42nd largest county in the United States. Montgomery County's population grew 38% from 765,476 to 1,058,810 people between 1990 and 2017. Births to residents and increasing international migration were the main reasons for this growth. Population growth was generally concentrated inside Interstate 495 (the Capital Beltway) and along other major transportation corridors.

Growth has brought an increase in diversity in Montgomery County, and more than 56% of the population is comprised of people of color. Significant demographic changes over the past 30 years include a decline in the non-Hispanic, white population. "In 1990, almost all tracts in Montgomery County were predominantly white, comprising 70 percent or more of the population in each tract, or majority white with concentrations ranging from 50 percent to 70 percent." Between 1990 and 2016, the non-Hispanic white population decreased from 548,453 to 464,466, a 15.3% drop from 1990 levels.[2]

In 2016, people of color comprised 55.5% of the total population in Montgomery County. Hispanics have been the fastest-growing population for the past 26 years, and, in 2010, surpassed the number of African Americans to become the largest minority group in the County at 19.9% of the total population. July 2018 estimates indicate the percentage of African Americans has increased to meet the percentage of Hispanics in the County (see Graph 1 below).

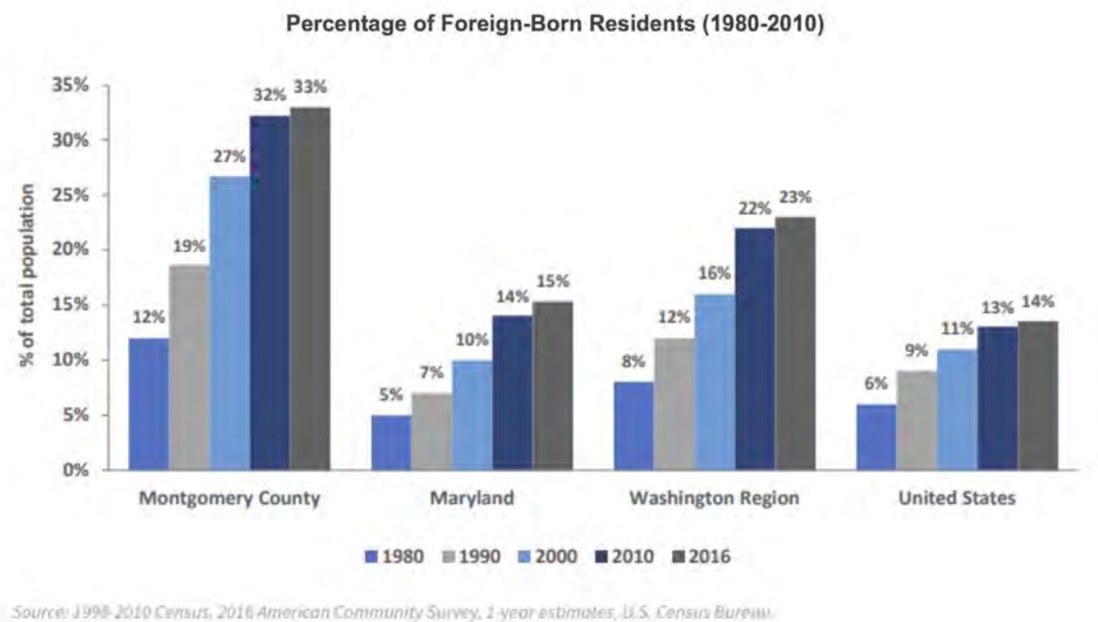


Graph 1. Source: U.S. Census Bureau. 2018). Population Estimates July 1, 2018.

[1] Maryland Department of Commerce. 2019. *Brief Economic Facts*. Retrieved from: www.open.maryland.gov. Accessed October, 2019.
[2] Montgomery County Planning Department. 2019. Montgomery County Trends: A Look at People, Houses, and Jobs Since 1990.

Montgomery County has a larger percentage of foreign-born residents than Maryland, the Washington region, or the United States (see *Graph 2*). This steadily-increasing foreign-born population contributes to the County's population growth.

In 2016, most of Montgomery County's foreign-born residents came from two regions in the world, Latin America (37%) and Asia (37%). The largest immigrant group is from El Salvador, at about 48,000 people (14% of all foreign-born residents). The other two countries with more than 24,000 people are China and India, with 8% and 7%, respectively, of all foreign-born residents.[3] The 2017 American Community Survey indicated that nearly 60% of households in Montgomery County spoke English only, which indicates that over 40% speak another language as well.

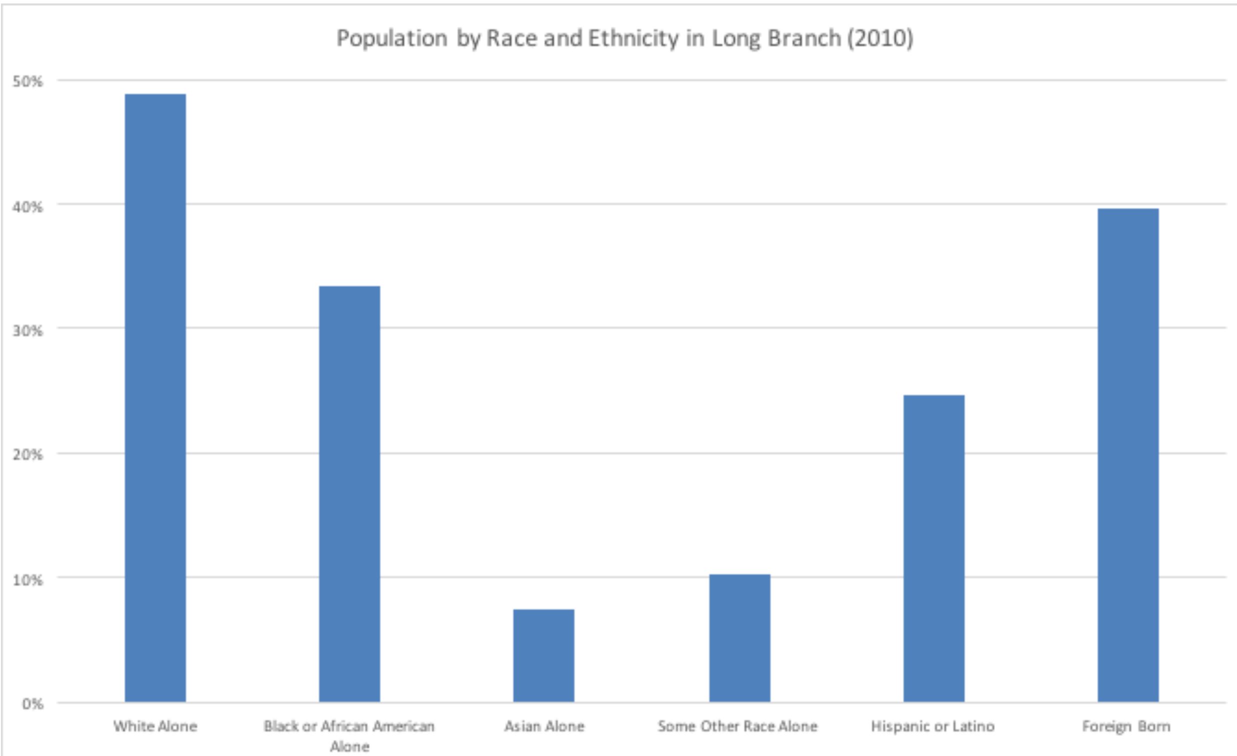


Graph 2. Percentage of foreign born residents. Source: Montgomery County Planning Department. 2019). Montgomery County Trends: A Look at People, Houses, and Jobs Since 1990.

The Long Branch community is located in the eastern portion of Montgomery County, between Langley Park and Silver Spring, less than two miles from Old Town Takoma Park.[4] Despite being a "first ring" suburb inside the Beltway, Long Branch has experienced little growth in recent decades, and at a lower rate than elsewhere in the county.[5] "Long Branch can be described as a distinct, multi-ethnic community, characterized as both a neighborhood of modest single-family detached homes with well-manicured lawns and an urban place with densely populated multifamily dwellings and well-leased shopping centers. While Long Branch's edges have retained much of their original suburban character, the community's commercial core has taken on the appearance of an aging, yet bustling small downtown."[6]

[3] Montgomery County Planning Department. 2019. Montgomery County Trends: A Look at People, Houses, and Jobs Since 1990. 25.
[4] Montgomery County Planning Department. 2013. *Long Branch Sector Plan: Approved and Adopted.* 1
[5] RKG Associates. 2017. Rental Housing Study Technical Document, Montgomery County Maryland.
[6] Montgomery County Planning Department. 2013. *Long Branch Sector Plan: Approved and Adopted.* 6

In the 2008 Census Update Survey, one-quarter of the people in Long Branch were Hispanic or Latino compared to 16 percent of all County residents.[7] Forty percent of the area's population is foreign-born, compared to 29% at the County level. Almost half of the residents (48%) living in multi-family buildings are foreign-born.[8] (See *Graph 3* below for the demographic composition of Long Branch.)

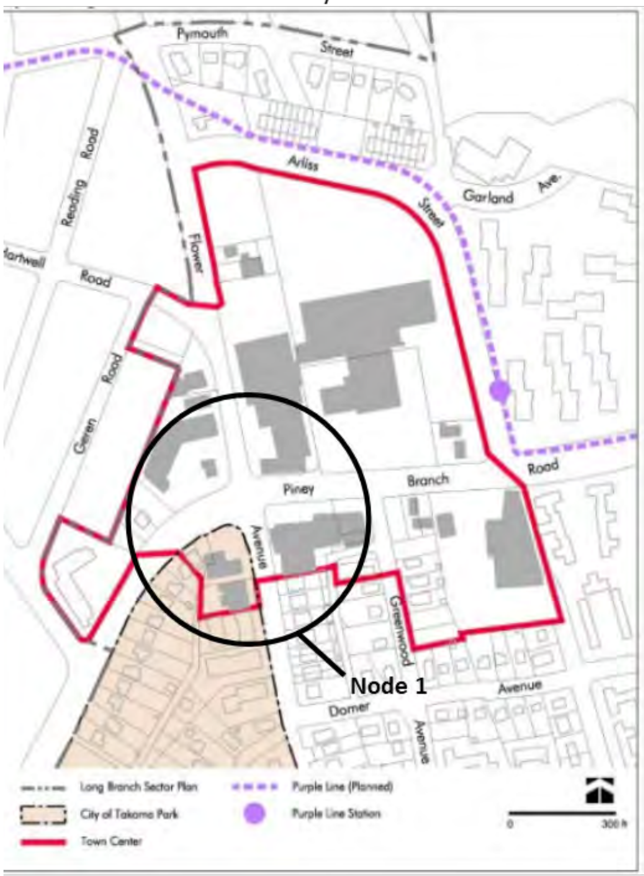


Graph 3. Source: M-NCPPC. (2008). Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research and Technology Center MCPD, M-NCPPC.

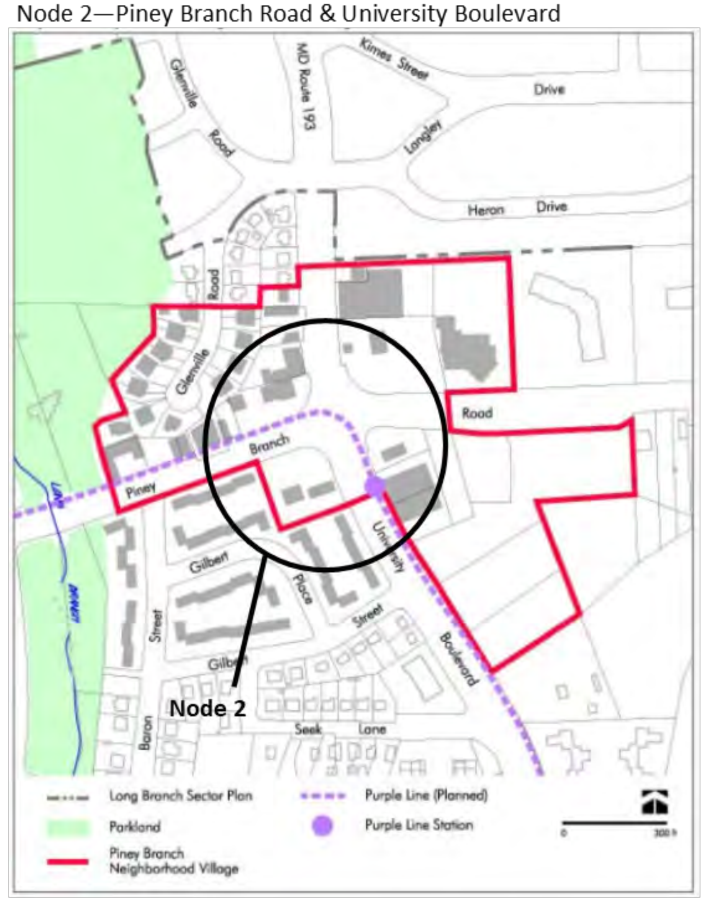
The Purple Line Station under construction near the intersection of Arliss Street and Piney Branch Road will be a catalyst for redevelopment in Long Branch, and the Montgomery County Planning Department has identified the intersection of Piney Branch Road and Flower Avenue as Long Branch's commercial core, or Long Branch Town Center (Node 1). Another Purple Line Station will be located at Piney Branch Road and University Boulevard (Node 2) (See *Figure 1* and *Figure 2* below).

[7] M-NCPPC. 2010. Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research & Technology Center, MCPD, M-NCPPC.
[8] M-NCPPC. 2010. Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research & Technology Center, MCPD, M-NCPPC.

lode 1—Flower Avenue & Piney Branch Road



Node 2—Piney Branch Road & University Boulevard



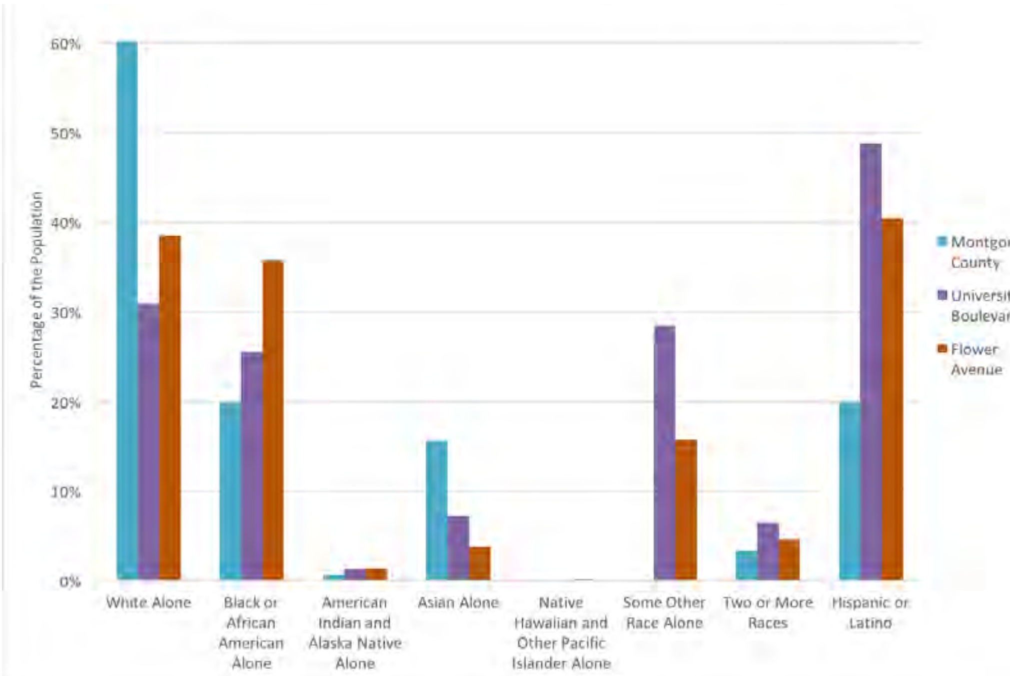
Source: Long Branch Sector Plan • November 2013 • Approved and Adopted. Pgs. 10 & 11.

Figure 1. Figure 2.

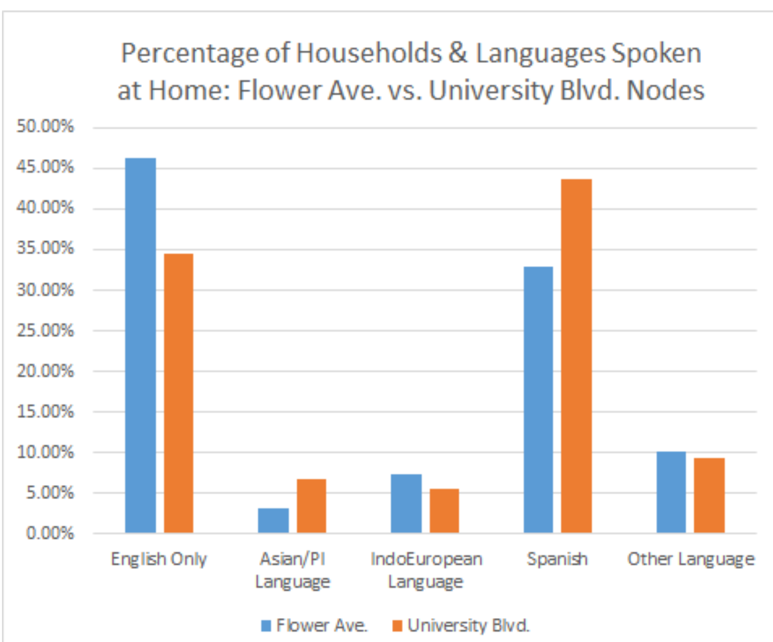
Graph 4 includes 2019 demographic estimates from the 2017 American Community Survey (ACS) for a 0.25-mile radius surrounding the Flower Avenue and University Boulevard retail nodes. The chart compares this data with ACS 2016 data from Montgomery County as a whole. The racial and ethnic composition of the two nodes in Long Branch-Flower Avenue and University Boulevard—differ significantly from the composition of Montgomery County. For example, there are a higher percentage of African Americans (25% for Flower Avenue and 35% for University Avenue), Latinos (approximately 40% for Flower Avenue and 50% for University Avenue), and people who identify as "two or more races."[9] Interestingly, 15-28% of people in Long Branch identify as "some other race alone." While the exact reason for this discrepancy requires more research, this self-identification should be taken into account when describing the identity of the neighborhoods and the businesses in Long Branch. The 2017 American Community Survey indicates that in the Long Branch area, more than 45% of households speak a language in addition to English at home. In the Flower Avenue node, almost 33% speak

[9] Tetrad. 2019. "8700 Flower Ave, Silver Spring, MD 20901, University Blvd E & Piney Branch Rd, Silver Spring, MD 20903." Prepared on September 10, 2019.

Spanish at home. In the University Boulevard node, almost 44% speak Spanish at home (see *Graph 5*).



Graph 4. Source: Tetrad. 2019). “8700 Flower Ave, Silver Spring, MD 20901, University Blvd. E & Piney Branch Rd, Silver Spring, MD 20903.” Prepared on September 10, 2019.



Graph 5. Source: Tetrad. 2019). “8700 Flower Ave, Silver Spring, MD 20901, University Blv E & Piney Branch Rd, Silver Spring, MD 20903.” Prepared on September 10, 2019.

Housing

In Montgomery County, nearly 66% of total housing units are single-family and 34% are multi-family. The population density of Montgomery County is 1,900 people per square mile, and the average household size is 2.63 individuals. The vast majority of households are comprised of 1 or 2 persons, but there is a higher proportion of 3, 4, and 5+ person households in Montgomery County than in Long Branch. Furthermore, there is a significantly higher proportion of married couple households in the County versus Long Branch.

Since 1990, the highest growth in structure types has been 10-or-more-unit multi-family housing complexes, with an increase in units of 55% from 1990 to 2016 (from 69,314 units to 107,663 units). Simultaneously, the proportion of renters to homeowners in Montgomery County increased from 32.1% in 1990 to 35.3% in 2016. The overall home ownership rate declined nearly 5% in that same time period.[10]

Despite the increase in supply of rental housing, rents have increased considerably in recent years in Montgomery County. "With asking rents per square foot having increased nearly 50 percent since 2000, even adjusting for inflation...Access to affordable rental housing throughout the county is a growing concern, particularly for lower-income households."[11]

"Housing in Long Branch is primarily a mix of single-family detached homes and low-rise, garden-style apartments"[12], and the population density is much higher than the average for the County at 9,000 people per square mile. There are nearly twice the percentage of single-parent households in Long Branch than in the County as a whole, and a higher proportion of households in Long Branch are single-person households.

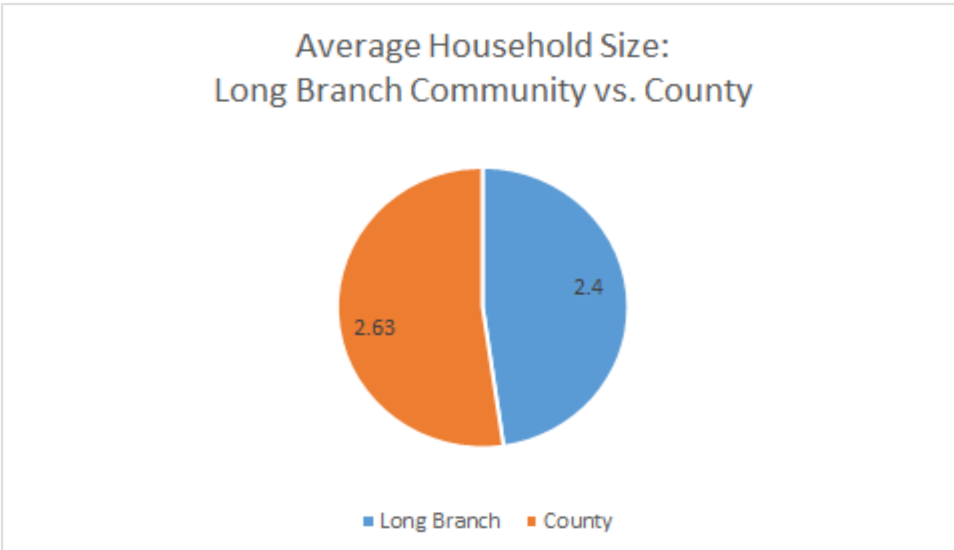
The average age of the housing stock is approximately 60 years. Of the 2,176 dwelling units in Long Branch, 17% are single-family homes and 83% are multi-family rental units. Sixty-six percent of all households in Long Branch are renting, the vast majority of which are in multi-family rental units (96.5%) rather than in rented single-family homes.[13] As also seen countywide, three quarters of single-family households in Long Branch had not moved five years prior to 2008. The study area's single-family households reported a median residence of thirteen years in the same home—three times longer than their multi-family neighbors.[14]

The M-NCPPC Rental Housing Study from July 2017 by RKG Associates indicated that there is a mismatch in the supply and demand of rentals in Long Branch, in that 22% of households that make up rental demand include four or more people, whereas the percentage of rental units with three or more bedrooms makes up less than 11% of the rental supply. Eighty-eight percent of rental units in Long Branch are one or two-bedroom units, but only 58% of rental demand is from one- or two-person households (see *Graph 7* for composition of Long Branch and County by number of people in a household).[15]

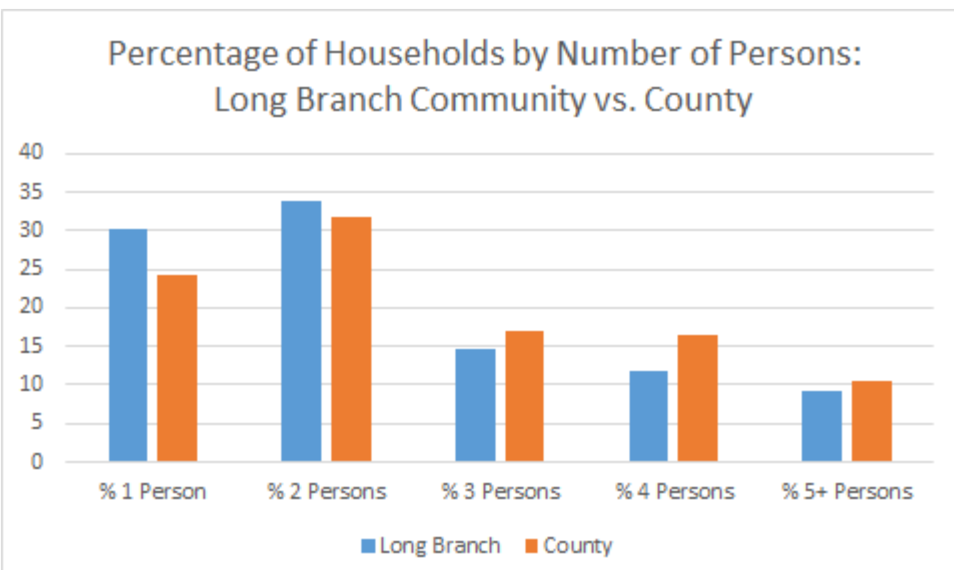
---

[10] Montgomery County Planning Department. 2019. Montgomery County Trends: A Look at People, Houses, and Jobs Since 1990. 56.
[11] Montgomery County Planning Department. 2019. Montgomery County Trends: A Look at People, Houses, and Jobs Since 1990. 62.
[12] Montgomery County Planning Department 2013. *Long Branch Sector Plan: Approved and Adopted.* 19
[13] RKG Associates. 2017. Rental Housing Study Technical Document, Montgomery County Maryland.
[14] M-NCPPC. 2010. Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research & Technology Center, MCPD, M-NCPPC.
[15] RKG Associates. 2017. Rental Housing Study Technical Document, Montgomery County Maryland.

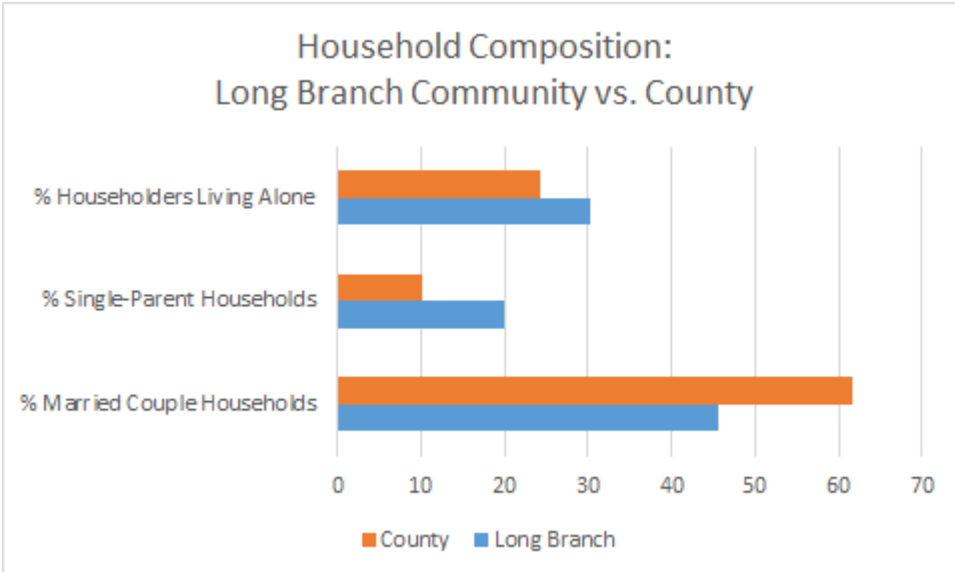
As is often the case in communities with older housing stock, rents in Long Branch are lower due to the ages of the buildings and their physical conditions, the characteristics of the neighborhood, and other market forces, resulting in naturally occurring affordable housing (80% of all multi-family dwellings). The remaining 20% of multi-family dwelling are subsidized housing, which takes the form of vouchers, tax credits, and rent-restricted units.



Graph 6. Source: M-NCPPC. 2010). Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research & Technology Center, MCPD, M-NCPPC.



Graph 7. Source: M-NCPPC. 2010). Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research & Technology Center, MCPD, M-NCPPC.



Graph 8. Source: M-NCPPC. 2010). Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research & Technology Center, MCPD, M-NCPPC.

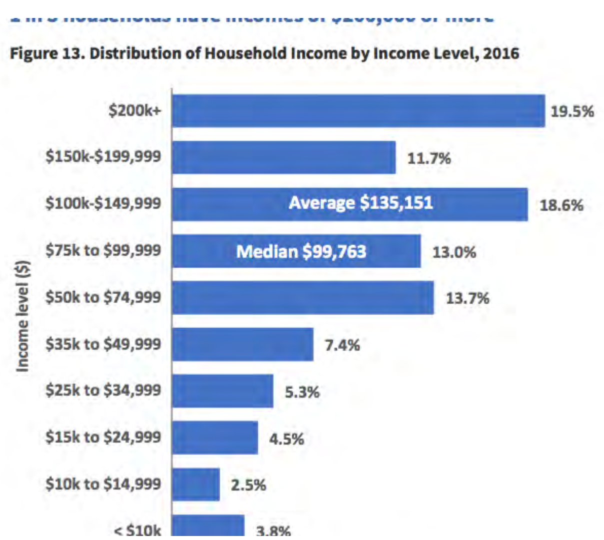
Income

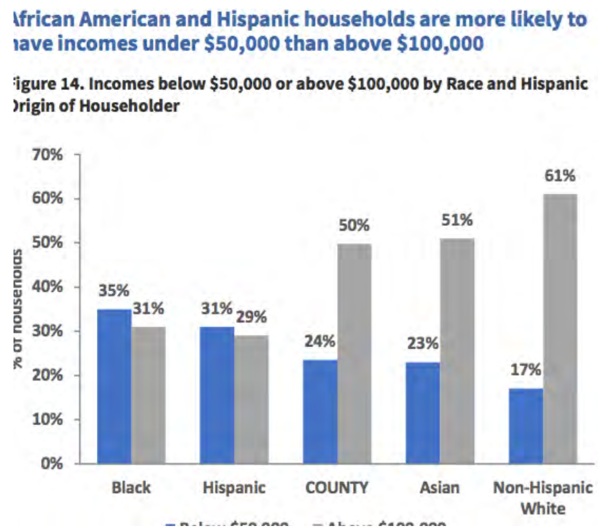
While the average income in Montgomery County is higher because 1 in 5 households have incomes over $200,000 dollars, over 87,000 homes in Montgomery County, or 24% of homes, had incomes less than $50,000 in 2016. The tracts with lower than average income tend to be in areas that offer multi-family housing.[16]

Non-Hispanic, White households in Montgomery County have the highest median income among the groups at $122,291. The median income of Hispanic households is $70,000, and the median income for African Americans is $69,313—30% and 31% below the County estimate, respectively. African American and Hispanic households are almost half as likely to have incomes above $100,000 than non-Hispanic whites. An estimated 35% of African American and 31% of Hispanic households have incomes less than $50,000, compared to 24% countywide.

In Long Branch, there are similar discrepancies among income levels of different subgroups. The estimated 2007 median household income in Long Branch is $58,990, and there is a significant difference between the income of single-family households and multifamily units—$89,145 to $43,615 respectively. This "wide variance of income levels across the study area was of particular interest to stakeholders."[17] (See *Graphs 9 & 10* for additional comparison of income in Long Branch to income in the County.)

[16] Montgomery County Planning Department. 2019. Montgomery County Trends: A Look at People, Houses, and Jobs Since 1990.
[17] Economic Research Associates. 2002. Market Study on Existing Conditions in the Long Branch Community.





Graphs 9 & 10. Data pertains to ACS 2016 from
Montgomery County, MD. Source: Montgomery County Planning Department. 2019). Montgomery County Trends: A Look at People, Houses, and Jobs Since 1990. (56).

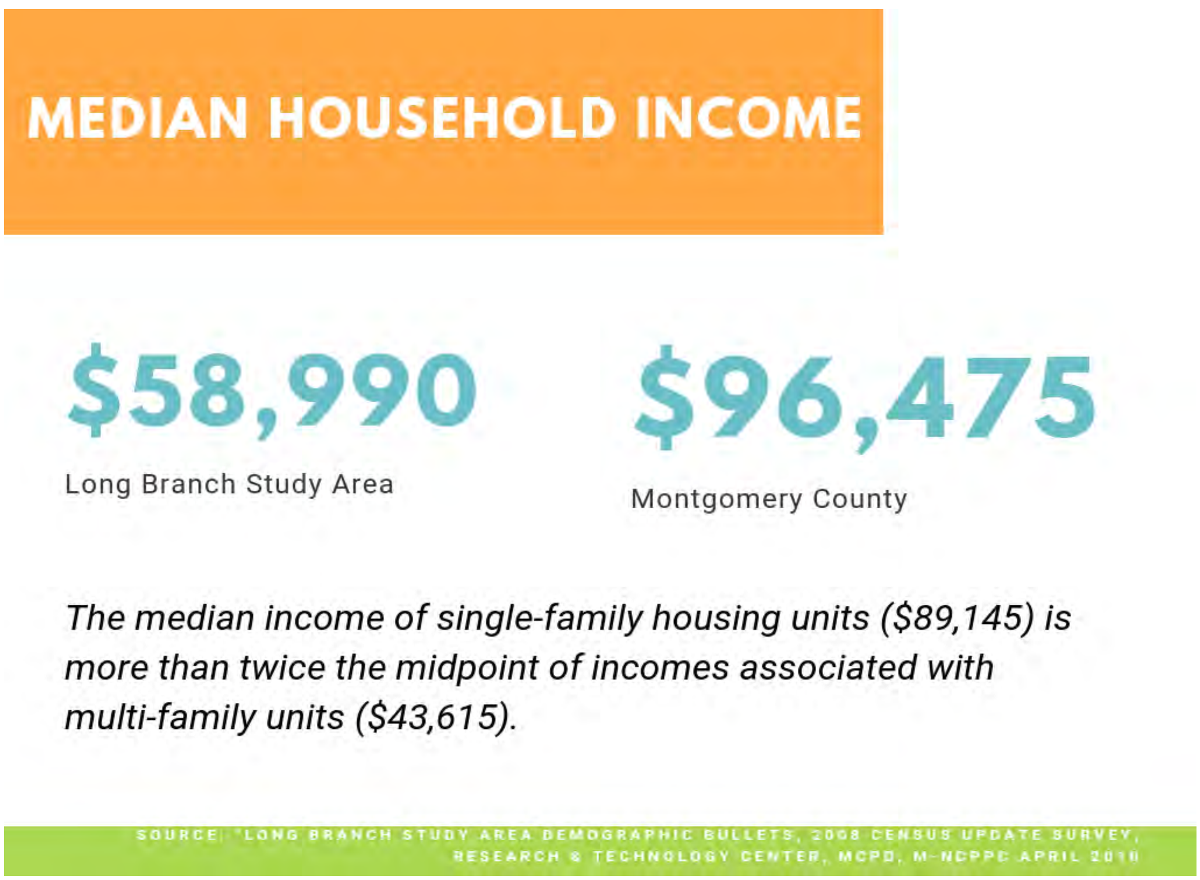
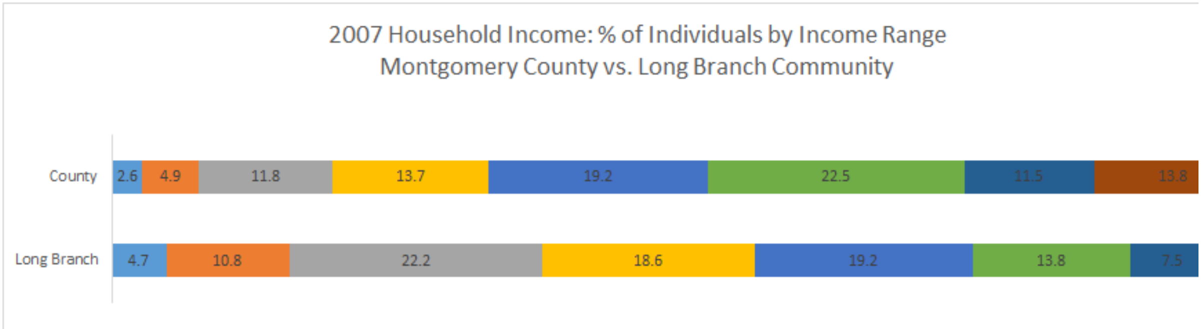
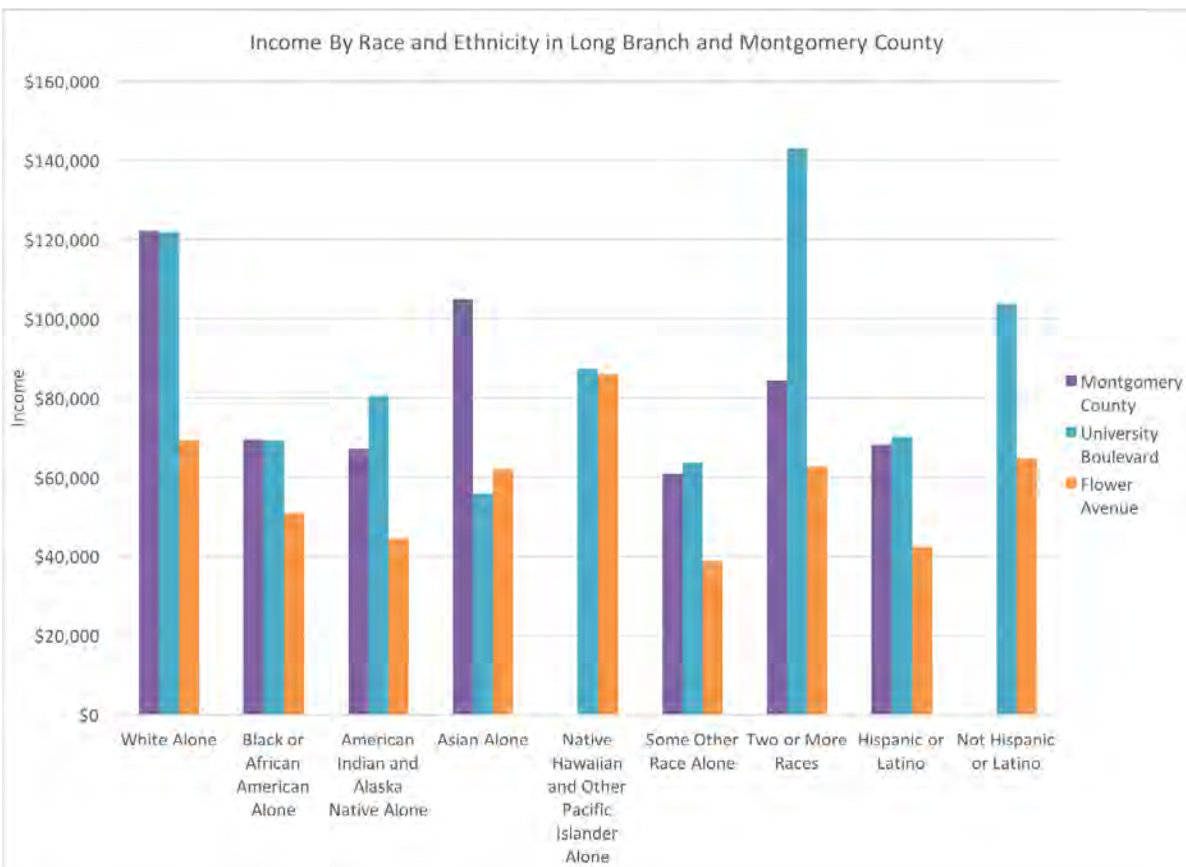


Figure 3. Source: Montgomery County Planning Department. (2019). Montgomery County Trends: A Look at People, Houses, and Jobs Since 1990.; M-NCPPC. (2010). Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research & Technology Center, MCPD, M-NCPPC.



Graph 11. Source: M-NCPPC. (2010). Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research & Technology Center, MCPD, M-NCPPC.

Graph 12 compares median household income by race for the two retail nodes of Long Branch and for Montgomery County. The data for median income for White, African American, and Latino households in Montgomery County and the University Boulevard node are nearly identical-around $120,000 for white households, and $70,000 for both Black and Latino households. However, the Flower Avenue node has consistently lower median incomes than either the University Boulevard node or Montgomery County, for all households.

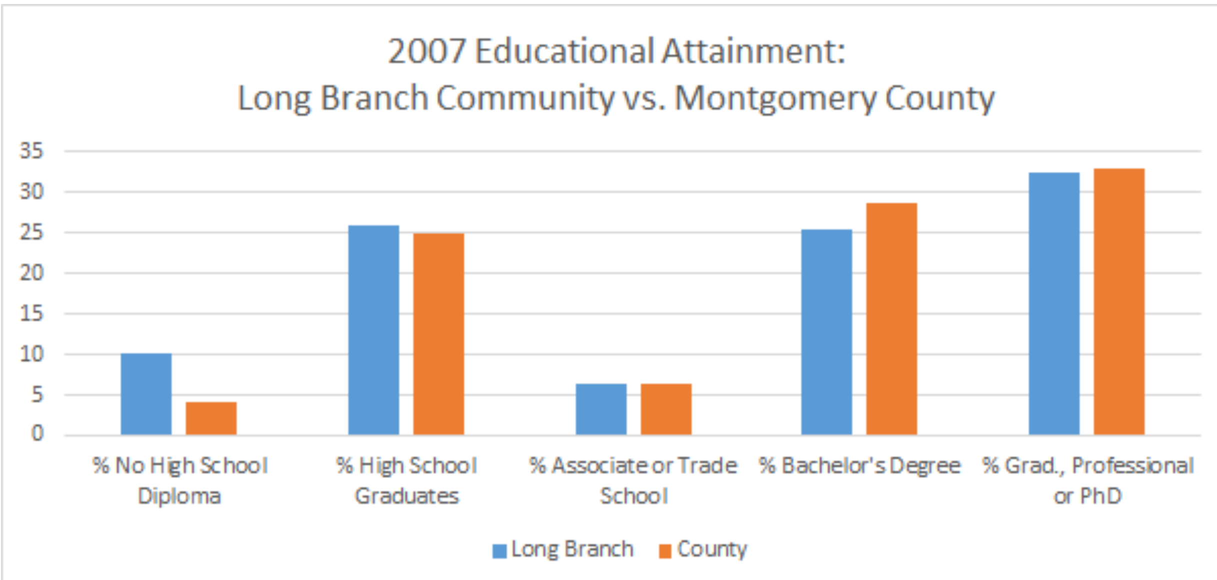


Graph 12. Source: Tetrad. (2019). “8700 Flower Ave, Silver Spring, MD 20901, University Blv E & Piney Branch Rd, Silver Spring, MD 20903.” Prepared on September 10, 2019.

Education

In 2016, 28.7% of adults in Montgomery County had earned a Bachelor's degree. More than one-third of the population held a Master's degree, making the County ranked 5th of all counties in the country for advanced degrees. In Montgomery County, there is a strong correlation between high incomes and educational attainment; the concentration of households with high average income coincides with residents with advanced degrees.[18]

Educational attainment in the Long Branch area, according to the 2008 Census Update Survey, is similar to educational attainment in the County, with 25.3% of residents having earned a Bachelor's degree. However, in Long Branch the percentage of individuals with no high school diploma (10.1%) is significantly higher than in Montgomery County, where it is only 4.1% (see *Graph 13*).[19]



Graph 13. Source: M-NCPPC. (2010). Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research & Technology Center, MCPD, M-NCPPC

Employment

Montgomery County is considered to be a "major economic engine" for the State of Maryland, with innovative industries, major federal facilities, multiple corporate headquarters, distinguished educational and research organizations, and a stable and significant office market. The private sector generates more than $75 billion in economic output annually. Two of the most noteworthy recent developments include the Wheaton Revitalization Project and the Purple Line.[20] *Graph*

[18] Montgomery County Planning Department. 2019. Montgomery County Trends: A Look at People, Houses, and Jobs Since 1990.; M-NCPPC. 2010

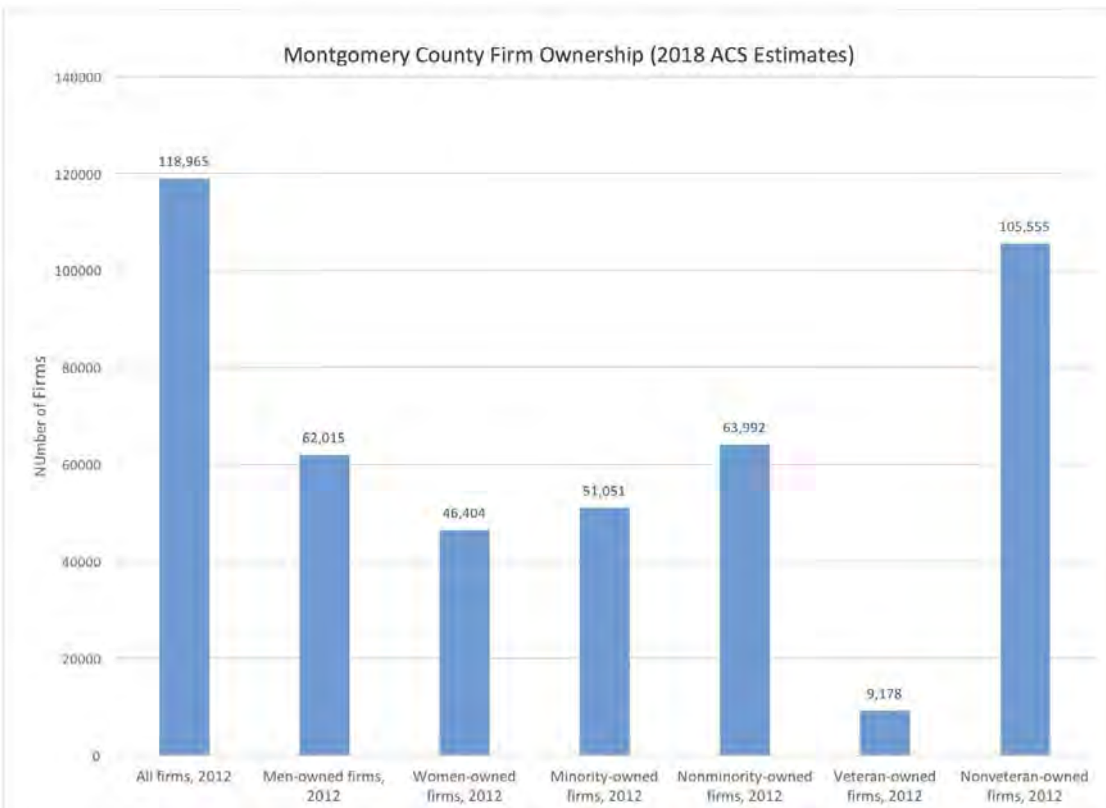
[19] M-NCPPC. 2010. Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research & Technology Center, MCPD, M-NCPPC

[20] Maryland Department of Commerce. 2019. Brief Economic Facts. Retrieved from: www.open.maryland.gov. Accessed October, 2019.

14 demonstrates the demographics of firm owners and numbers of firms throughout all of Montgomery County.[21]

The 2008 Census Update Survey indicated that in Montgomery County, about 71% of residents aged 16 and over are employed, and the majority of workers (43.9%) are employed by private, for profit firms, with the next largest group (25.2%) employed by the government. Another 13.5% are employed by private, non-profit organizations, and 10.7% are self-employed.

Nearly 60% of workers in Montgomery County stay in Montgomery County to work, but more than 23% commute to work in Washington, D.C. The remaining workers commute to Virginia (7.4%), Prince George's County (5%), elsewhere in Maryland (4.5%) and outside the region (1.1%). The vast majority of workers commute by driving on their own (69.4%), while fewer commuters utilize public transit or rail (17.7%). The 2017 American Community Survey indicated that 3.8% of residents in Montgomery County did not have access to a car.



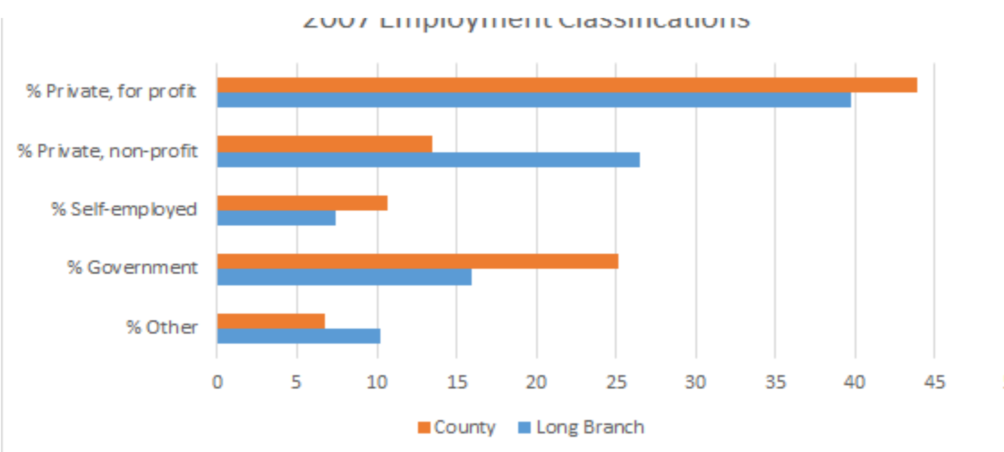
Graph 14. Source: U.S. Census Bureau. (2018) American Community Survey Estimates: Montgomery County, Maryland.

In Long Branch, about 57% of residents 16 and over are employed. Similar to the County, the majority of them (39.8%) are employed by private, for-profit businesses. About twice as many (26.5%) are employed by private, non-profit organizations, which is about double that of Montgomery County. A far fewer proportion is employed by the government at 16%, and there

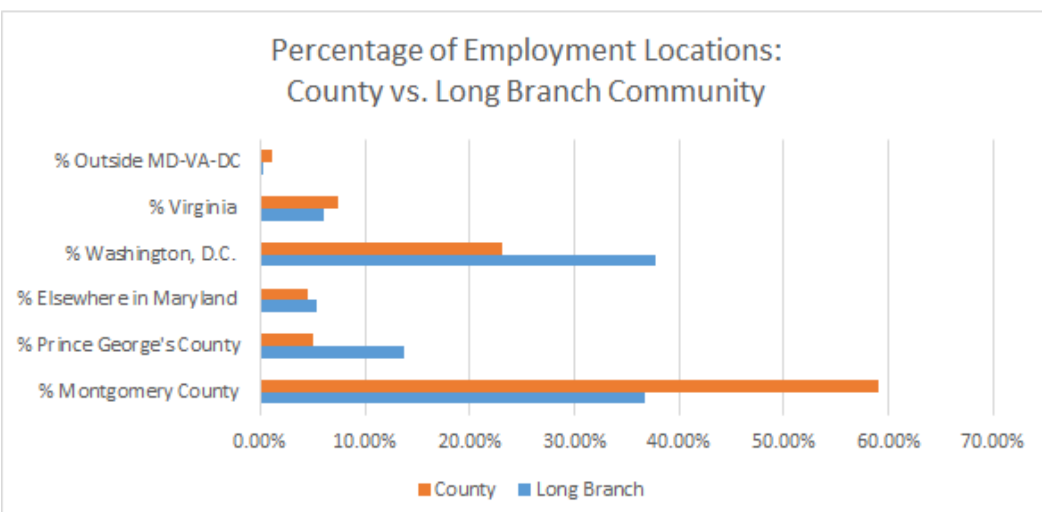
[21] U.S. Census Bureau. 2018. American Community Survey: Montgomery County, Maryland.

are fewer self-employed individuals in Long Branch, 7.4%. Just over 10% describe their employment as “other,” compared to 6.7% of workers in Montgomery County (see *Graph 15*).

Most Long Branch workers commute to Washington, D.C. to work (37.8%) or stay in Montgomery County (36.8%). More than 13% work in Prince George’s County, 6% in Virginia, and 5.4% elsewhere in Maryland (see *Graph 16*). Only 0.2% work outside the region. Far more residents of Long Branch (30.1%) use public transportation to get to work than do in the county, but still far fewer than drive alone (53.9%).[22] Nearly 17% of people who live in the Long Branch area do not have access to a car.[23]



Graph 15. Source: M-NCPPC. (2010). Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research & Technology Center, MCPD, M-NCPPC



Graph 16. Source: M-NCPPC. (2010). Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research & Technology Center, MCPD, M-NCPPC

[22] M-NCPPC. 2010. Long Branch Study Area Demographic Bullets: 2008 Census Update Survey. Research & Technology Center, MCPD, M-NCPPC
[23] Ibid.

5. preliminary insight statements

5.1 Background and Context

Insight 5.1.1: Racial Equity and Defining “Ethnic” in Long Branch

Challenge

The cultural diversity of Long Branch is one of its greatest strengths, but current policy and representation in formal planning documents do not actively create equitable conditions for the residents.

Summary

The cultural diversity of Long Branch is one of its greatest strengths and should be reinforced with thoughtful consideration to its representation in formal planning documents. The purpose of this Insight is twofold: (1) to explore how to describe ethnically diverse communities in ways that are empowering and inclusive and (2) to analyze the ways Montgomery County defines equity, diversity, and any other relevant terms. Ultimately, Insight 1.1 will explore other vocabulary and definitions related to “ethnic” that may be more representative of Long Branch and other underserved communities.

Findings

The 0.25-mile radius surrounding the retail node nearest Long Branch Station (at Arliss Street and Piney Branch Road) is a majority Hispanic community (40%), with the most significant group claiming El Salvadoran identity.[1] There is also a significant African American population (25%). According to census data compiled by Tetrad (2019), 15-28% of residents in Long Branch identify as “some other race alone.”[2] While the exact reason for this self-identification requires more research, these data demonstrate that people’s description of their ethnicity is more nuanced than any single, broad label.

“Ethnic” has a variety of denotations with different connotations. Often it is used as a catch-all for minorities and people of color. In some cases, it can perpetuate a sense of otherness, i.e., white is the dominant identity and all other identities are secondary. [3] As such, two questions arise. What is the most useful and empowering way to describe the value and identity of ethnic groups within a community, while still acknowledging and attempting to correct systemic inequities? How is “ethnic business” described in literature, and how should businesses be described in Long Branch?

Montgomery County has stated that achieving racial equity and social justice are top priorities.[4] However, specific policies have not yet been proposed to address systemic injustice: affordable housing, challenges for minority business ownership and financing, public infrastructure

---

[1] Montgomery County Department of Planning. 2019. “Montgomery County Trends: A Look at People, Houses, and Jobs Since 1990.”

[2] Tetrad. 2019. “8700 Flower Ave, Silver Spring, MD 20901.”

[3] Cooper, Joseph N. 2017. “A Call for a Language Shift: From Covert Oppression to Overt Empowerment.” https://today.uconn.edu/school-stories/call-language-shift-covert-oppression-overt-empowerment/#

[4] Montgomery County Council. 2019. “Creating a Racial Equity & Social Justice Policy.” https://www.montgomerycountymd.gov/COUNCIL/EquityMatters.html.

investments, and budgetary allotments for the purpose of explicitly investing in underserved communities while preventing displacement. Therefore, Insight 1.1 asks: how does the County's literature define and protect ethnic diversity and how might this be applied in the retail context in Long Branch? And how can the description of "ethnically diverse retailers" be used as an asset?

Definitions and Existing Policies

This section explores the definition of ethnic and other possible terms that could be used when describing businesses in Long Branch. It further outlines Montgomery County's current efforts for racial equity and social justice. The goal of this section is to present the nuanced denotations and connotations for each word and policy and further the discussion of vocabulary within this Toolkit.

Defining "Ethnic:"

This section is a discussion of multiple definitions for "ethnic" and "ethnic business."

- Ethnicity pertains to cultural differences among groups of people, usually related to country or culture of origin. Ethnicity can be self-identified or imposed by others. According to Aldrich and Waldinger, the sociological definition of ethnic business is "a business whose proprietor has a distinctive group attachment by virtue of self-identification or ascription by others." This is more inclusive than the U.S. government's definition in its Survey of Minority and Women-Owned Businesses, "which includes only Black, Hispanic, Asian, and Native American groups."[5]

- "Traditionally, ethnic retailing refers to businesses that are owned and operated by members of an ethnic group, and that offer culturally specific and suitable goods to serve the co-ethnics of the business owners. The traditional definition implies that the ownership, operation, merchandise, and clientele are all ethnic specific; together, they form an isolated system, where money is retained within the same ethnic group."[6]

- "This definition of ethnic retailing has however been blurred, with some ethnic retailers (selling both goods and services) now expanding their business scope to cross ethnic boundaries, and also with mainstream retailers entering the realm of ethnic retailing."[7]

- Based on these definitions, the term "ethnic business" can be applied to businesses of all cultural or racial origins (e.g. El Salvadorian pupuseria, Polish bakery, French patisserie, Ethiopian grocery). However, the term "ethnic" is often used to describe only "minority groups that are characteristically different from the politically dominant majority."[8]

- Ultimately, one of the main concerns with using any descriptor generally is that "it diminishes the uniqueness of [the] differences between and within groups."[9] Labels can also create a

---

[5] Aldrich, Howard E. & Waldinger, Roger. 1990. "Ethnicity and Entrepreneurship."
[6] Wang, Shuguang and Hernandez, Tony. 2017. "Reconceptualizing Ethnic Retailing."
[7] Wang, Shuguang and Hernandez, Tony. 2017. "Reconceptualizing Ethnic Retailing."
[8] Wang, Shuguang and Hernandez, Tony. 2017. "Reconceptualizing Ethnic Retailing."
[9] Cooper, Joseph N. 2017. "A Call for a Language Shift: From Covert Oppression to Overt Empowerment." https://today.uconn.edu/school-stories/call-language-shift-covert-oppression-overt-empowerment/#

sense of otherness, with “white” being the norm, and “ethnic” or “minority groups” or “people of color” being something other than the norm.

Additional Descriptors:

This section explores denotations and connotations for alternative words to “ethnic” that could be used to describe businesses in Long Branch. The selected words represent a variety of topics meant to further a nuanced discussion of the identity of Long Branch businesses.

- ***Multicultural***: This word has a similar connotation to “ethnic.” It describes multiple cultures coalescing into one space or one identity. Ethnicity and culture could be equated, and it is possible for a phrase like “cultural groups” to connote “non-white,” implying that only people of color have cultural identities.[10]

- ***Minority:*** This term tends to apply to people of color, but it often includes men and women of all backgrounds. “Minority” implies that a “majority” is white, but in Montgomery County in 2016, for example, 56% of the population were people of color, making the County “majority minority.” In some ways, using the term “minority” perpetuates the idea that white groups control power.[11] However, this term may be useful to describe the Long Branch business community because it acknowledges the historical oppression that it implies toward people of color, which must be acknowledged to be adequately addressed in government policy. It is also already widely used in business legislation.

- ***International***: “International” implies that people or businesses are from somewhere other than the U.S. It could occlude the ability of residents and business owners to identify as “American.”[12] In one interview we conducted, the Latino, immigrant owner of a dry cleaner referred to his clientele as “Guatemalan, Salvadoran, African, African American, and ‘American.’” In his perception, white Americans are American without qualification, and immigrants are predominantly referred to by their place of origin.[13]

- ***Immigrant***: This word specifically describes an individual who has moved to a different country from her country of origin. While “immigrant” is more specific than “ethnic,” it does not adequately describe the residents and businesses in Long Branch; some businesses are immigrant-owned, but not all of them.[14] Immigrant populations can face additional hurdles with English language ability, resident status, access to services, and access to financial tools, which can make businesses ownership uniquely challenging. Yet, to some degree, immigrant and minority communities may experience similar barriers to accessing business supports in Long Branch; policies may need to be targeted to adequately serve each or both populations.[15]

---

[10] Bennett, David. 1998. “Multicultural States: Rethinking Difference and Identity.”
[11] Pollard, Kelvin and O’Hare, Willian P. 1999. “America’s Racial and Ethnic Minorities.” https://www.prb.org/americasracialandethnicminorities/
[12] Salomone, Rosemary C. 2010. *True American.*
[13] Interview with Anonymous Retailer #1. September 23, 2019.
[14] Volery, Thierry. 2007. “Ethnic Entrepreneurship: A Theoretical Framework.”
[15] Lung-Amam, Willow. 2019. “Surviving Suburban Redevelopment.”

- When applying these identifiers to businesses, it may be most inclusive to attach labels like "independent" and "locally-owned." These terms attempt to highlight the positive values that these businesses provide for the community as a whole and for the individual owners who may view their business as a source of power and control over their lives.

- In the case of this research, the phrase "independent retailer" may best describe the goals and values that policy should be promoting. It also does not resort to general labels for different populations.

Montgomery County's Current Efforts:

This section explores Montgomery County's current and proposed policies related to ethnicity, race, and minority populations. The emphasis of this information is to dissect the County's attitudes and vocabulary used to describe social inequality and ethnically-diverse communities.

- Montgomery County's Racial Equity and Social Justice Policy process, backed by Council President Nancy Navarro and County Executive Marc Elrich:[16]
    - Racial equity is "when race can no longer be used to predict life outcomes and outcomes for all groups are improved." (per Government Alliance on Racial Equity)
    - "Racial equity and social justice are urgent moral and socioeconomic endeavors for our community."
    - "Addressing issues of racial equity is not only an ethical obligation; it is essential to ensure the continued economic vitality of our community."
- Montgomery County Racial Equity and Social Justice Community Engagement Toolkit:[17]
    - "The County's Racial Equity and Social Justice Initiative aimed at advancing fair and equitable outcomes for individuals and communities of color in government decision-making across all County-funded agencies:
        - Montgomery County Government
        - Montgomery County Public Schools
        - Montgomery College
        - Maryland-National Capital Park and Planning Commission"

---

[16] Montgomery County Council. 2019. "Creating a Racial Equity & Social Justice Policy." https://www.montgomerycountymd.gov/COUNCIL/EquityMatters.html.
[17] Montgomery County. 2019. "Racial Equity and Social Justice Community Engagement Toolkit." https://www.montgomerycountymd.gov/COUNCIL/Resources/Files/English_RESJ_ToolKit.pdf.

- Montgomery County's Minority, Female, and Disabled-Owned (MFD) Businesses Program[18]
    - This program is "responsible for ensuring that minority, female, disabled persons-owned businesses receive a fair share of the County's contracting opportunities."
    - "A MFD-owned business is a business that is at least 51% owned, controlled and managed daily by a minority person(s) as defined by state, county, and federal laws to include the following categories: African American, Hispanic American, Asian American, Native American, Disabled Persons, and Women."
    - Once certified by the county, a business is eligible to participate and win contracts with the county.
- International Corridor Community Legacy Area
    - The County has been working to highlight international businesses and neighborhoods as assets to the community.
    - The language used in this document leans toward helping immigrant communities in Langley Park to assimilate into "American" culture and, in some ways, works against its stated goal to support and empower these international, ethnically diverse communities to thrive.

Implications for Long Branch:

This section synthesizes some of the definitions and current policies with interviews and research conducted by the PALS team.

A demographic analysis of the County indicates:

- In 2010, one-quarter of the people in Long Branch were Hispanic or Latino compared to 16 percent of all County residents.[19] Forty percent of the area's population is foreign-born, compared to 29% at the County level. Of the 25% Latino, 3.2% identify as Mexican, less than 1% identify as Cuban or Puerto Rican, and 35% identify as "other."[20]

- In 2016, most of Montgomery County's foreign-born residents came from two regions in the world, Latin America (37%) and Asia (37%). The largest immigrant group is from El Salvador, about 48,000 people (14% of all foreign-born residents).

Interviews with business owners and stakeholders indicate:

- The PALS project team interviewed multiple multilingual Long Branch businesses owners — Spanish/English, and Korean/Spanish/English speakers — whose ability to serve not only El Salvadorian, Ethiopian, or Korean clientele, but also the metropolitan

---

[18] Montgomery County Division of Business Relations and Compliance. n.d. "MFD Program." . https://www.montgomerycountymd.gov/pro/DBRC/MFD.html;

[19] M-NCPPC. 2010. "Long Branch Study Area Demographic Bullets: 2008 Census Update Survey."

[20] American Community Survey. 2017. "Custom neighborhood profile for census tracts: 24031702301, 24031702200, 24031701900, 24031702000, 24031702101, 24031702302, 24031701702."

region population as a whole, is an asset to the County. Businesses who have the ability to serve diverse clientele also complicate any labelling of “ethnic business.” While some contemporary definitions of ethnic retailing focus on customer orientation, instead of ownership, other contemporary definitions focus on ethnic ownership instead of particular ethnic goods or customers.[21]

- At the same time, many of these businesses have Hispanic owners and serve Latinx clientele—fitting the traditional definition of ethnic business. Several owners also expressed concern that if their current Latinx clientele are displaced with transit-oriented redevelopment, their businesses will go too.[22]

- For the purposes of this work to support small, independent, local business owners, it seems most useful to use the broadest definition of an ethnic retailer: a business that is owned by immigrants and minorities and that serves immigrants and minorities.

- The County has defined racial equity as a priority. According to the County Council and Executive, racial equity is not only a moral obligation but an economic necessity. Since the County is engaging communities in a process to create its Racial Equity and Social Justice Policy, Long Branch is a good community in which to prioritize the new policy.

- The neighborhood’s multi-family housing residents, who are largely lower income than their wealthier single-family homeowners[23], are at risk of displacement with the anticipated transit-oriented development around the Purple Line. Long Branch would be an ideal place for the County to pilot a new set of racial equity and social justice tools, aligned with its forthcoming new policy. Real change will require more than a statement promoting equity; it will require specific, place-based tools for the unique ethnic and income composition in Long Branch.

[21] Wang, Shuguang and Tony Hernandez. 2017. “Reconceptualizing Ethnic Retailing.”
[22] Interview with Anonymous Retailer #1. September 23, 2019.
[23] M-NCPPC. 2010. “Long Branch Study Area Demographic Bullets: 2008 Census Update Survey.”

Insight 5.1.2: Long Branch's Cultural Assets

Challenge

Despite impending redevelopment triggered by the development of the Purple Line, protecting Long Branch's cultural diversity of residents and businesses is vital to retaining its affordable and healthy real estate and rental markets.

Summary

Ethnic retail communities provide many assets and services to not only co-ethnics, but also to regions as a whole. However, the positive impacts of these ethnic retail communities are threatened by changing demographics and displacing forces. Long Branch is celebrated for its ethnic and cultural diversity, both by residents and retailers, and in Montgomery County's own planning literature. The purpose of this topic is twofold: (1) to examine the literature about ethnic retail communities and the positive and negative effects of their promotion, and (2) how Montgomery County has worked to promote ethnic retail communities and the effects that different policies could have when the Purple Line is fully constructed. Supporting the continued cultural diversity of retailers and of their clientele will become increasingly important as investments associated with the Purple Line potentially destabilize the affordable rental and real estate markets.

Findings

- Anticipated development related to the Purple Line has already contributed to rising real estate costs in Long Branch. Judy Stephenson of the Montgomery County Small Business Navigator, and multiple retailers who were interviewed affirmed that tenants are already contending with higher rents and operating costs.[24]
- Expanded transit will increase access to Long Branch for residents across the region, including those with higher wealth and income than current residents. With changes in wealth may come changes in race and population make-up; consumer behavior and retail offerings will likely change accordingly.
- Montgomery County has only nonspecific metrics or goals for retaining multicultural neighborhoods.
- Research has been conducted using terms such as "ethnic," in reference to minority and immigrant identification, as detailed in the previous insight statement.
- Some definitions around communities with significant proportions of immigrants, such as Long Branch, include:
    - **Ethnic enclaves** are traditionally defined as temporary places as immigrants of similar origin assimilate into their new society.[25]

[24] Interview with Judy Stephenson of the Montgomery County Small Business Navigator. October 10, 2019; Interviews with Anonymous Retailers #1 and #2. September 23, 2019.
[25] Alba, R. and V. Nee. 2003. *Remaking the American Mainstream: Assimilation and Contemporary Immigration*.

- **Edge gateways** are localities that have recently attracted immigrants in great numbers, and thus perform the function of traditional inner city neighborhoods.[26] Edge gateways are a byproduct of change in metropolitan regions. They are not distinct to one ethnic group.

- **Ethnoburbs** are suburban multiethnic clusters of residential and business districts in large metropolitan areas, where one non-white group has a significant concentration, but does not necessarily hold the majority.[27]

● Different theories around minority/ethnic retail communities:

  - **Spatial Assimilation Perspective**: "When immigrants arrive in a new country, they usually have limited language ability and little human capital. They stay close to one another and draw upon ethnic resources as they face the challenges of adaptation. As ethnic neighborhoods emerge, so do ethnic businesses. The critical mass of ethnic members in ethnic neighborhoods provides a niche market for the growth of ethnic businesses."[28]

  - **Cultural Theory:** "The cultural theory suggests that ethnic and immigrant groups are equipped with culturally determined features such as dedication to hard work, membership of a strong ethnic community, economical living, acceptance of risk, compliance with social value patterns, solidarity and loyalty, and orientation towards self-employment (Masurel et al. 2004). These features provide an ethnic resource which can facilitate and encourage entrepreneurial behavior and support the ethnic self-employed (Fregetto 2004). Ethnic people often become aware of the advantages their own culture might offer only after arriving in the new environment."[29]

  - **Disadvantage Theory:** "The various types of capital that immigrants bring are not rewarded within their host society and local labor market. Immigrants lack the expected human, social, and cultural capital to find gainful employment (Min, 1996). They also can experience discrimination and narrow paths of opportunity within the labor market, prompting them to turn to entrepreneurship for economic stability and mobility. With a lack of capital and/or encounters with discrimination, immigrants presumably turn to self-employment as almost a last resort (Ward, 1987)." [30]

  - "This theory sees entrepreneurship not as a sign of success but simply as an alternative to unemployment. Therefore, it is probably more adequate to explain the development of informal and illegal activities, rather than to explain the widespread creation of immigrant businesses. This is because immigrant

[26] Price, Audrey and Marie Singer. 2008. "Edge Gateways: Suburbs, Immigrants, and the Politics of Reception in Metropolitan Washington."
[27] Li, Wei. 2008. *Ethnoburb: The New Ethnic Community in Urban America.*
[28] Fong, E., W. Chen, C. Luk. 2007. *A Comparison of Ethnic Businesses in Suburbs and City.*
[29] Volery, Thierry. 2007. "Ethnic Entrepreneurship."
[30] Dhingra, Pawan. 2015. *Franchising Ethnic Entrepreneurship*.

policies deny newcomers becoming legally self-employed in the first years of their stay, when the disadvantages would be the greatest."[31]

    - "The resources stem from their ethnicity (Light & Gold 2000). Their ethnic capital consists of information about business opportunities, about vendors from which to purchase goods, about labor to hire, about informal and formal rules for navigating bureaucracies, and more (Min 2008; Portes & Rumbaut 2006). Money is another major asset that stems from ethnic capital. Assuming that group members are able to monitor one another well enough, they loan money to one another, which enables people to afford a business."[32]

- "Enclaves provide typically low returns but offer protected markets that non-ethnic capitalists have difficulty entering because of language differences, cultural dissimilarities, and lack of access to particular goods (Zhou 2004)."[33]

Middleman Minority Theory:

- "Among economic explanations… the primary explanation for ethnic entrepreneurship. Ethnic enterprises rapidly pop up with the expansion and growth of an ethnic community and include businesses such as travel agencies, garment shops, specialized grocery shops, tearooms and fast-food stands. An important prerequisite for the broad emergence of ethnic businesses within a community is a sufficient number of potential consumers of ethnic products on the one hand, but also their aim of a permanent stay in the host country; that is, the immigrants have to bring their families along. Not only is the community otherwise too small to develop the necessary demand for ethnic goods, but an additional factor hindering business creation is the large sums of money sent home to families and relatives and thus not available for start-up capital."[34]

- "After a while, ethnic businesses can start to grow by engaging in trade with entrepreneurs from other ethnic groups. After reaching a critical mass and gaining acceptance within the indigenous population, they can become a viable and respectable business by expanding into the high-volume trade with the local population."[35]

- "Those ethnic entrepreneurs who cater to non-co-ethnics often fit a middleman minority profile. Blocked from other opportunities, they run cheaper, more marginal businesses marked by low economies of scale and risky market base (Cobas 1989; Duany 1989; Zenner,1980). They emerge in societies with rigid stratification systems between elites and the masses, thus necessitating a third group to perform less-desired trades primarily with racialized minorities and the working class more generally. Because they serve non-ethnics, they theoretically have more potential for expansion than business owners in ethnic enclaves (Aldrich & Waldinger 1990). However, such growth is rare because of the depressed conditions of their clientele and owners' limited class resources."[36]

---

[31] Volery, Thierry. 2007. "Ethnic Entrepreneurship."
[32] Dhingra, Pawan. 2015. *Franchising Ethnic Entrepreneurship*.
[33] Dhingra, Pawan. 2015. *Franchising Ethnic Entrepreneurship*.
[34] Volery, Thierry. 2007. "Ethnic Entrepreneurship."
[35] Volery, Thierry. 2007. "Ethnic Entrepreneurship."
[36] Dhingra, Pawan. 2015. *Franchising Ethnic Entrepreneurship*.

Applications of Theory

- Long Branch is a gateway community that allows for immigrant communities to combine and leverage resources, develop support networks, build language skills, and generally scaffold their integration into the American economy.

- There is a natural integration into the larger economy that can occur as the immigrant communities gain a foothold. Long Branch can evaluate the success of their community by how well in the way that supportive services facilitate their natural propensity for growth and development.

- The cultural diversity of Long Branch allows for vibrant commercial offerings. There are possible consequences if immigrant-serving businesses struggle to survive during redevelopment. Not only will the loss of a central hub derail the supportive services, but there is a strong possibility that the business owners and workers will struggle to find other legal work, and a variety of consequences may occur as these populations are pushed further into the shadows.

From observations of similar neighborhoods experiencing transportation improvements and real estate investments are three scenarios for Long Branch's future redevelopment:

1. Independent retailers remain and their associated clientele who live nearby continue to support their businesses. Added foot traffic comes from the Purple Line opening, and the businesses thrive. The independent retailer owners can channel the additional resources into growing their business and uplifting their family and friends, amplifying any efforts by the county to increase standards of living. Long Branch naturally evolves without significant displacement.

2. Independent retailers remain but the combination of rising rents and fewer associated clientele results in significant commercial displacement. Franchise businesses and non-minority entrepreneurs enter the market and take a prominent market share. A small fraction of the minority businesses who are able to pivot and attract sales from new residents remain. Long Branch loses its status as a hub for immigrants and minorities.

3. Immigrant and independent retailers are nearly entirely displaced, and Long Branch's business/residential community becomes unrecognizable compared to today. Consequences of displaced people exacerbate social inequality.

Given the lack of protections currently in place, and based on case studies of Columbia Heights and Chinatown in DC, and interviews with stakeholders, this tool kit is focused on preventing the second and third scenarios while reinforcing the likelihood of the first.[37] Montgomery County places a high value on the importance of protecting immigrant and minority populations, and ensuring equity of opportunity through the redevelopment of Long Branch.

- Business owners communicated in interviews that they are reluctant to invest more into their business when the likelihood of their continued success is uncertain. One retailer we spoke to, for example, says he is uninterested in renewing his lease in 2020 because his landlord has indicated that they will eventually build condos on the site of

[37] Interview Melissa Williams, Montgomery County Planning Department, in conversation with PALS project team on September 9, 2019.

this business; we also learned that landlords have been increasingly reluctant to offer long-term leases.[38]

- If current residents of Long Branch leave or are displaced, then the retail corridor will lose a significant consumer base that the businesses rely on.

- Montgomery County Planner Melissa Williams indicated that negative perceptions of Long Branch's retail stock persist through the wealthier parts of the neighborhood. For example, higher-income, non-Latino residents saying: "there is nothing here for me."

[38] Interview with Anonymous Retailer #1. September 23, 2019.

Insight 5.1.3: International Corridor Community Legacy Area

Challenge

Despite its location outside the "International Corridor," the diversity and socio-economic similarities of Long Branch with other local areas should allow it to be considered for the same types of policies and protections that are recommended for communities such as Langley Park.

Summary

"International Corridor" is often used by the Purple Line Corridor Coalition to refer to the Langley Park area that straddles Prince George's and Montgomery Counties. Colloquially, stakeholder organizations consider the International Corridor to include Long Branch as well because of its similar multicultural retail hubs, and therefore, potentially similar capacity for policy implementations.[39]

Findings

- There was an International Corridor Community Legacy Area (ICCLA) designation in 2003. The associated ICCLA Plan was co-written by Prince George's County and Takoma Park. The goals were ambitious and comprehensive in nature, and also prescriptive, but arguably without sensitivity to the voice of low-income populations.

- Distinguishing whether Long Branch is included in the International Corridor for the purposes of the class toolkit

- The Plan discusses resident tensions and the need to "uplift" and "integrate" immigrant community without explaining the mechanisms intended to produce this outcome.[40] The Plan also identifies the problem of the International Corridor planning areas as: a high concentration of low-income, immigrant families.

The "International Corridor" in the ICCLA Plan is defined as: University Blvd from Piney Branch to West Park Drive.[41] It is said to be home to entrepreneurs and residents from Asia, South and Central America, West Africa, and the Caribbean. The Redevelopment Authority of Prince George's County and Takoma Park co-applied for Maryland's Community Legacy Program in 2001 and were awarded a designation and a planning assistance grant, leading to the ICCLA. The stated goal of this plan is to better assimilate immigrant residents presumably into mainstream "American" culture. The ICCLA says a concentration of a low-income population of immigrants is a problem for a variety of reasons such as low property values and low enforcement of regulations. Discounting the representation issues evident from the ICCLA Plan, to construct effective policies for the Purple Line, regional stakeholders need to agree on what the International Corridor encompasses.

---

[39] Senior Specialist at CASA de Maryland, in conversation with the PALS project team member. October 1, 2019.

[40] Prince George's County & Takoma Park. 2013. *International Corridor Community Legacy Plan.*

[41] M-NCPPC. 2012. *Takoma/Langley Crossroads Sector Plan: Approved and Adopted.*

The Takoma/Langley Crossroads Sector Plan (2010) defines the International Corridor as: "University Boulevard between New Hampshire Avenue and West Park Drive is considered Maryland's International Corridor. It encompasses the City of Takoma Park, Prince George's County, and Montgomery County." The International Corridor Community Legacy Plan (2003) and the Bi-County Transitway/International Corridor Planning Study (2003) also portray a similar area as the International Corridor.

However, the Purple Line Corridor Coalition—an organization of partners striving for equitable development and access—has codified the International Corridor as a Purple Line corridor subarea which includes all the light rail stops from "Takoma Park, Langley Park, Lewisdale, and Adelphi." This data sub-area encompasses the Long Branch study area.

- State records indicate that the Community Legacy area of Langley Park, the "International Corridor" has received multiple grants for physical improvement projects beyond the effort of the ICCLA Plan. Further research is warranted to determine the grant-seeking precedent for this area.

- Although this study focuses on the specificity of one Long Branch retail node, regional stakeholders have indicated that getting Montgomery County and Prince George's County equity-focused policies streamlined for the whole Purple Line Corridor is paramount. Branding and embracing the International Corridor (as the Purple Line Corridor Coalition defines it)—from Takoma Park to Adelphi—could help this effort.

5.2 Existing and Preliminary Tools

Insight 5.2.1: Long Branch Sector Plan

Summary

The *Long Branch Sector Plan (LBSP)* is the small-area plan proposed and passed in November 2013 as the planning document to guide redevelopment of Long Branch in the areas around the two Purple Line stops. Adjustments are made in the document to allow for significantly more density that will be permitted through a facilitated zoning process that secures certain benefits for the community. As the guiding legal planning document for the neighborhood, all development must conform to the obligations set forth within. In its current form, there are only marginal benefits that may or may not be applied to benefit independent retailers in the process of realizing maximum density.

Findings

- Use of terms such as “multicultural community” and “small businesses” are generally applauded but have no metrics or mechanisms for accountability.[42]

- Ultimately, the LBSP relies heavily on the expectation that change will be “incremental” and that, as development occurs, CRT zones will provide the small business retention that the plan envisions[43]

- Processes outlined in the Sector Plan do not meet the goals of actively protecting the independent retailers of Long Branch. These businesses primarily rent their spaces, and the redevelopment envisioned by the plan poses a direct threat to these retailers who are likely to be impacted by construction of the Purple Line station, speculative real estate, increased commercial competition, and potentially fewer adequate, affordable commercial spaces post-redevelopment.

- “Among the challenges faced by Long Branch will be to ensure that rental and ownership costs, for either homes or businesses, remain affordable, while also providing mechanisms to strengthen code enforcement and provide incentives to encourage reinvestment. Current land use and zoning policies have not done enough to encourage reinvestment and may have inadvertently led to decline. Many properties are not zoned appropriately and lack sufficient density to spur private investment. This Sector Plan addresses those issues with recommendations that encourage appropriate levels of reinvestment and support for incremental redevelopment.”[44]

- The LBSP uses the county defined zoning classes of Commercial-Residential (CR) and Commercial-Residential Town (CRT) zones, which “tie uses, density, and height together, providing greater predictability as to what can be built and how property can be

---

[42] Montgomery County Planning Department. 2013. *Long Branch Sector Plan.*
[43] Montgomery County Planning Department. 2013. *Long Branch Sector Plan.*
[44] Montgomery County Planning Department. 2013. *Long Branch Sector Plan.*

used. Height and density recommendations will be developed with community input during the master planning process, then the zoning will specify those recommended densities and heights. These tools offer a more fine-grained approach to bring the community vision to reality."[45] There are seven public benefit categories, four of these categories "require an applicant to provide certain individual public benefits in order to obtain incentive density."[46] The category of importance in this report is, "4. Diversity of uses and activities," and specifically the "Small Business Opportunities," individual public benefit.

- A *standard method of development* does not require any community benefits to be met, but "limits overall density to a 1.0 FAR," whereas at least one category and associated benefit must be addressed for the *optional method of development* that allows a maximum of 3.0 FAR within the CRT zones.[47]

The *Long Branch Sector Plan* identifies ten development sites (see map) and provides guidance for each:

- Development site 1 currently has 166,987 sq. ft. (45%) of the total commercial space surveyed by the LBSP, and after the upzoning/changes to land use outlined by the plan, will increase more than three-fold to a proposed total of 521,266 sq. ft. of commercial space, which is more than 57% of the total 909,503 sq. ft. of all of the commercial space in the *Long Branch Sector Plan*.[48]

- Development site 1, "will be the primary destination and the de facto downtown," and aims to "retain small businesses and accommodate space for retailers and service providers that serve the entire community at different income levels,"[49] but noticeably does not include the CR Zone density designation related to "small business opportunities," which is one of the designations recommended in other development sites (site 2 across the street on Piney Branch, for instance.)

- No buildings are recommended to be protected from demolition other than the façade of the Flower Theater. It is therefore expected that all other structures can and will be demolished to meet the LBSP desired outcomes of increasing the maximum height from the current 45 ft to the varied 60-120 ft maximum height proposed through the *optional method of development* process.[50]

- The end of the LBSP provides the implementation methods for the CRT zones, and explicitly defines three of the seven categories for public benefits to be weighted most

---

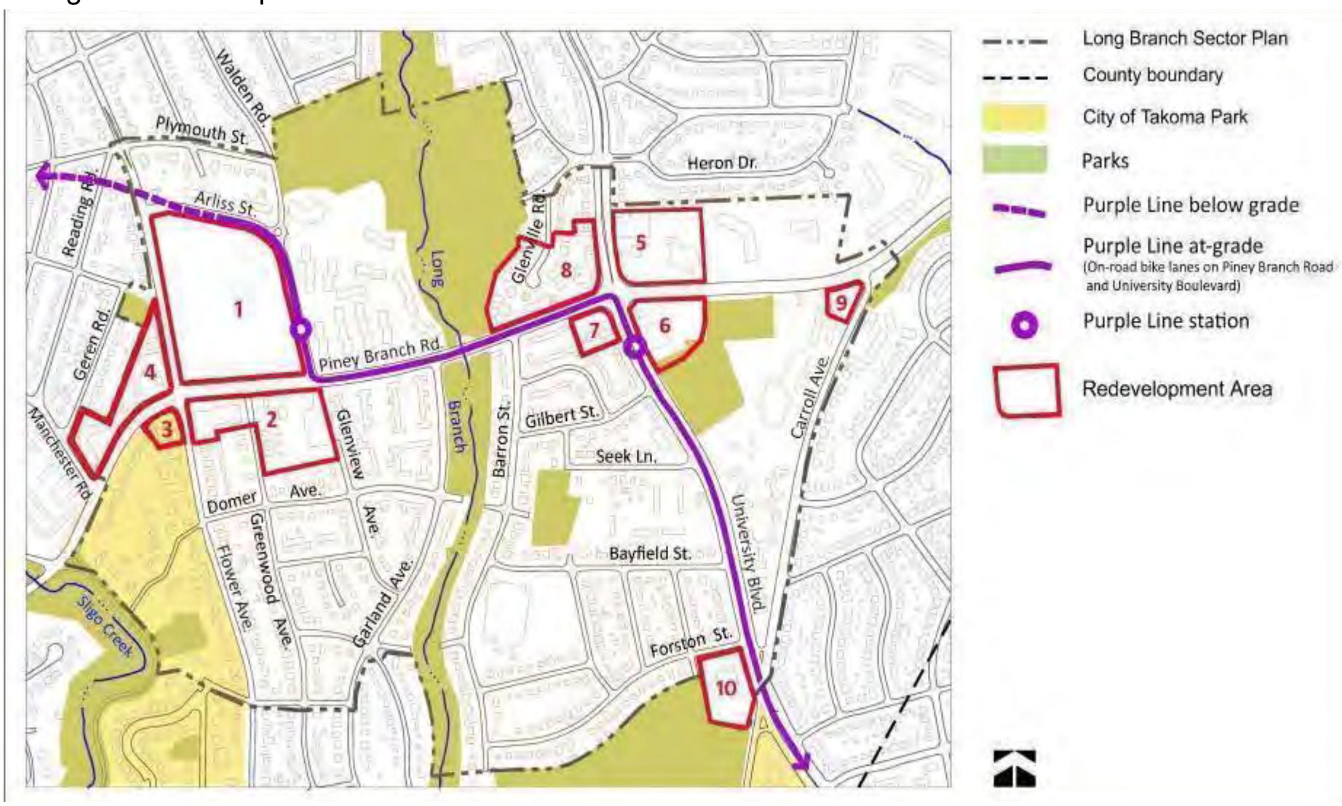
[45] Montgomery County Planning Department. 2018. "Commercial Residential Zones." https://montgomeryplanning.org/development/zoning/commercial-residential-zones.
[46] Montgomery County Planning Department. 2017. "Commercial/Residential and Employment Zones Incentive Density Implementation Guide." https://montgomeryplanning.org/wp-content/uploads/2018/01/Commercial-Residential-Zone-and-Employment-Guidelines-FOR-WEB.pdf
[47] Montgomery County Planning Department. 2013. *Long Branch Sector Plan*.
[48] Montgomery County Planning Department. 2013. *Long Branch Sector Plan*.
[49] Montgomery County Planning Department. 2013. *Long Branch Sector Plan*.
[50] Montgomery County Planning Department. 2013. *Long Branch Sector Plan*.

heavily: “Connectivity between Uses, Activities, and Mobility Options • Diversity of Uses and Activities (including affordable housing) • Quality of Building and Site Design (including historic resource protection),” which noticeably excludes “small business opportunities,” otherwise mentioned elsewhere in the specific development sites that this supersedes.[51]

- In this same implementation section, the power to include/exclude “small business opportunities” is provided: “This list is not mandatory, and it does not preclude consideration of other benefits listed in the CRT Zones to achieve the maximum permitted FAR. The requested benefits should be analyzed to ensure they are the most suitable for a particular location, are consistent with the Plan’s vision, and that they satisfy the changing needs of the area over time. When selecting these benefits, the Planning Board should consider community needs as a determining factor.”[52]

Map 2

Long Term Development Sites[53]



- Columbia Heights, represented in the Mid-City element of the DC Comprehensive Plan, acknowledges the challenges facing small business retail in its introduction:

51 Montgomery County Planning Department. 2013. *Long Branch Sector Plan*.
52 Montgomery County Planning Department. 2013. *Long Branch Sector Plan.*
53 Montgomery County Planning Department. 2013. *Long Branch Sector Plan.*

- “H. Commercial gentrification is also an issue. Small corner stores and other businesses that are unique to the neighborhood are having a harder time getting by. The area’s restaurants, ethnic establishments, and iconic neighborhood businesses are an important part of what defines this community. They should be strongly supported in the future.”[54]

- The acknowledgement made by the Comprehensive Plan fails to create actionable protections for small businesses. To protect retailers in Long Branch, the County should create policies, including strong zoning language that creates an environment where small businesses can thrive.

[54] Washington D.C. Office of Planning. 2006. *Comprehensive Plan: Chapter 20: Mid-City Area Element*. planning.dc.gov/sites/default/files/dc/sites/op/publication/attachments/District%20Elements_Volume%20II_Chapter%2020_April%208%202011.pdf

Insight 5.2.2: Community-Based Small Business Financing Tools

Challenge

Long Branch businesses have not necessarily benefited from some finance tools that should be available to them.

Summary

Local Community Development Financial Institutions (CDFIs) have lending opportunities available to small businesses like those in Long Branch. However, the unique challenges to a community like Long Branch may exclude these businesses from seeking many lending opportunities through CDFIs or other financial institutions.

Findings

- "These businesses [along the Purple Line] do not want loans, they want grants."[55]
    - However, most community financial organizations exclusively offer loans, or have limited grant options.

- Long Branch small business may have difficulties in creditworthiness, or lacking in significant capital resources that preclude them from seeking out competitive loans through CDFIs.

- A Community Development Financial Institution (CDFI) is a class of financial institution that caters to and provides assistance to underserved and low-income communities. CDFIs are classified by the U.S. Treasury and include: community banks, credit unions, nonprofit organizations, venture capital funds or loan funds.

- The CDFI industry dates back to the 1960s/70s, but was refueled and further supported by President Bill Clinton with legislation in 1994, which created the CDFI fund, giving federal support for CDFIs[56]

- There is no directive as far as how CDFI money is distributed to underserved communities.
    - In 2017, although 64% of total U.S. CDFI investment occurred in census tracts with indicators of being underserved or distressed, it was not distributed equally.

- Montgomery County has a portfolio of small business loans available through local CDFIs, but many of these are likely out of reach to the business owners in Long Branch.
    - The application requires lengthy paperwork, which likely entails accounting and legal proficiency. Many of the loan applications also expect to see evidence that the small business projects growth and expansion of hiring. Some businesses in Long Branch that serve the local population may not be looking to expand or grow, and are trying to solely meet financial obligations to stay in business.

---

[55] PLCC Small Business Working Group speaker during class discussion, October 8th, 2019.

[56] Balboni, Elise and Christina Travers. 2017. *CDFIs & Impact Investing: An Industry Review.*

- PLCC partners like the Latino Economic Development Corporation (LEDC) and the Enterprise Development Group (EDG) offer tiered small business loans that also serve newer businesses without significant financial history. Given the additional attention and financial support to the Purple Line Corridor, further efforts are needed to ensure that all communities have access to these loans and opportunities. The JP Morgan Chase PRO Neighborhoods grant of $5 million to three regional CDFI partners: Enterprise Community Partners, LEDC, and the National Housing Trust has provided new capital access to the small businesses along the whole corridor.[57]

- Independent lending organizations may need to be more creative with underwriting requirements to serve markets that perpetually underserved.[58] One strategy is examining the credit and collateral requirements in small business loans to determine whether these requirements are catching the current economy in a place like Long Branch.

- The growth of CDFIs in conjunction with nonresponsive funding has meant more applications being turned away. Communities are learning how to form CDFIs and access the fund, but the fund isn't growing in response.[59] CFDIs have to seek out more sources of capital funding, while growing access to ensure proper pricing for borrowers and liquidity for CDFI investors.[60]

---

[57] Enterprise. 2019. "JPMorgan Chase Makes $5 Million Investment to Support Affordable Housing and Small Businesses along Maryland's Purple Line Corridor."
[58] Abello, Oscar Perry. 2016. *Atlanta CDFI: 'Take Two' for Minority Entrepreneurs.*
[59] Abello, Oscar Perry. 2019. *The Past, Present and Future of Community Development Financial Institutions.*
[60] Abello, Oscar Perry. 2016. *Atlanta CDFI: 'Take Two' for Minority Entrepreneurs.*

5.3 Challenges to Maintaining a Diverse Retail Landscape

Insight 5.3.1: Fundamental Challenges to Long Branch Businesses

Challenge

What changes can be made that will extend more assistance to the small, locally owned businesses of Long Branch to assist them in the face of redevelopment pressures?

Summary

Independent, minority-owned businesses face many challenges to being politically involved and advocating for the assistance they need. Lack of time to participate in capacity building, language barriers, historical discrimination of immigrants and minorities through policy and financing, lack of representation in political groups, and increasing pressures of gentrification in the metropolitan region are some of the greatest challenges that Long Branch and other ethnically diverse communities are facing today. Furthermore, consideration of these issues has not been implemented at every step of the development process in Long Branch. There are many stakeholders who want to see Long Branch businesses succeed, however current efforts still leave many stakeholders feeling that more must be done to help the businesses stay in place. Many efforts lack the authority or publicity to be effective.

Findings

- **Time:** Many independent business owners are busy running their shops every day. They do not have time to join a business league, attend public meetings concerning development in their neighborhood, or seek out assistance for funding to grow their business. Several Long Branch business owners expressed that they worked at their businesses 14-18 hours per day, and this prevented them from participating in the business league.[61] Current business league members are stretched thinly, but they find it valuable.[62]

- **Language:** In Long Branch, some business owners have limited English language skills, and the immigrant population comes from many different countries, e.g. El Salvador, Korea, Ethiopia (see Appendix, Business Inventory). This makes lease negotiation, assistance seeking, and policy navigating even more complicated. If the County wants to promote racial equity, they will need to prioritize these communities when developing new (bilingual and multilingual) positions, creating collateral, rolling out new policies and programs, and improving two-way communication with these communities.

- **Representation:** Larger companies have the advantage of information and connections with developers and lawmakers. They know, before local businesses, what developments are going to take place, and they are able to negotiate leases or favorable policies prior to the announcement of development. Chains and larger companies have

---

[61] Interview with Anonymous Retailer #1, September 23, 2019; Interview with Anonymous Retailer #2, September 23, 2019

[62] Interview with Anonymous Retailer #6, October 24, 2019.

the advantage of being able to hire people to advocate on their behalf. Independent businesses cannot compete with this.[63] The government has a duty to level the playing field and understand the real needs of local, independent business.

- **Policy:** Some business owners in Long Branch cited permits as their biggest obstacle to renovations and improvements for their businesses.[64] They described the process as confusing and time consuming—especially with zoning and parking.
    - Business owners do not have a sound understanding of their legal rights.
    - Lease negotiation is not regulated. Some business owners do not know the contents of the lease or what is the responsibility of the property owner and what is their responsibility.[65]
    - Value of independent businesses' contribution to the community is not quantified and accounted for in policy. Independent businesses have a more direct relationship with local communities and share a sense of identity. For example, in Long Branch, business owner John Angel helped start a benefit 5K for residents who suffered in a gas explosion.[66]
    - Communication is not adequate and awareness of the Purple Line is low.[67]
    - Additionally, "[small enterprises] outperform their larger competitors on key performance measures, often because of the edge they gain by having direct relationships with their customers and deep knowledge of their products and industries. Most importantly, a healthy independent business sector helps to distribute wealth and opportunity broadly, and contributes in essential ways to sustaining a vibrant democracy, according to a growing body of scholarship."[68] County policy should reflect this fact.
- **Financing:** Lending and leasing policies favor stable, well-known companies with established credit and a specific definition of success. Independent businesses are seen as high risk for lending and often do not have established credit. These lending practices are true not only for national banks, but also for government small business grants and other financial support. (see Insight 3.8 Perception of Stability and Creditworthiness and Insight 3.9 Defining "Healthy Business".)
    - Nationwide, "of those [entrepreneurs] who sought a business loan in the last two years, 41 percent were either unable to obtain one or received a loan for less than the amount they needed. This figure was higher for businesses that are new, smaller, minority-owned, or women-owned."[69]

---

[63] Interview with Anonymous Retailer #4. September 25, 2019
[64] Interview with Anonymous Retailer #6. October 24, 2019.
[65] Interview with Anonymous Retailer #6. October 24, 2019; Interview with Anonymous Retailer #1. September 23, 2019.
[66] Forsbacka, Amy. 2016. "Picking up the pieces: How long branch is recovering from the apartment fire."
[67] Interview with Nohely Alvarez, Northern Gateway. October 24, 2019.
[68] Institute for Local Self Reliance. 2019. "Independent Business Survey."
[69] Institute for Local Self-Reliance. 2019. "Independent Business Survey"

- **Gentrification:** Local business owners often live where they work. In Long Branch, independent businesses serve clientele who live near their establishments. No matter how many protections are implemented to support existing independent and ethnic businesses, if the residential population is displaced by rising costs with TOD, then many of these independent businesses will not succeed. See Insight 3.2 Housing Affordability; Insight 3.3 Displacement Associated with Transit-Oriented Development; Insight 3.4 Commercial/Residential Balance; Insight 3.6 Property Ownership; Insight 3.7 Availability of Affordable Commercial Space.

    - Local rents all across the country are skyrocketing. Commercial rents are increasing faster than sales for independent businesses.[70] In one interview with a restaurant owner in Long Branch, her biggest challenge was rent going up. The challenge became, *"how and when to up your own prices. You have this clientele that is used to something—even if it's 25 cents."*[71]

    - The Institute for Local Self Reliance Independent Business Survey found that lack of affordable space, lack of access to loans, and more favorable pricing from suppliers for larger retailers were among the top concerns of independent business owners.

    - One business owner expressed that his most serious concern is that the Purple Line will displace his entire customer base (90% Latino) and make it so that he can no longer afford to live in the neighborhood.[72]

    - Property owners in Long Branch will not commit to long term leases and they are expecting to sell to developers.[73]

---

[70] LaVecchia, Olivia and Stacy Mitchell. 2016. *Affordable Space: How Rising Commercial Rents Are Threatening Independent Businesses and What Cities Are Doing About It.* https://ilsr.org/affordable-space.
[71] Anonymous Retailer #6, October 24, 2019.
[72] Interview with Anonymous Retailer #1. September 23, 2019.
[73] Interview with Judy Stephenson of the Montgomery County Small Business Navigator. October 10, 2019

Insight 5.3.2: Housing Affordability

Challenge

What can be done to mitigate the effect of property value increases so that housing affordability is maintained for residents and the customer base is maintained for small, locally owned businesses?

Summary

Despite the increase in supply of rental housing, rents have increased considerably in recent years in Montgomery County.[74] This shortage is regionwide. Since 2000, the Washington region has more than 125,000 fewer rental units renting for less than $1,300 a month which are often considered “market rate affordable.”[75] Long Branch is unique in that its population density is much higher than Montgomery County averages, and thus, its susceptibility to rising property values will be acutely felt as a community. The residents and businesses in Long Branch are synonymous. Housing policy and small business preservation policy are connected.

Findings

- Any small business retention and strengthening solutions need to be part of a comprehensive affordable housing strategy centered on curbing displacement.
- Because the businesses in the Long Branch retail hub serve the direct population in Long Branch, if widespread resident displacement occurs, then the small business preservation strategy will become obsolete.
- The PLCC Housing Action Team (HAT) received input from staff and elected leaders in both Montgomery and Prince George’s counties, and met with many stakeholders. A housing survey was conducted with almost 600 residents responding. Recently approved County plans were taken into account. Also, policies and zoning updates, and significant community input were reviewed.[76] These efforts reflect the work of the HAT to produce the PLCC Housing Action Plan.
- The PLCC Housing Action Plan’s 12 recommendations are organized into three categories:
    - Ensure a diverse mix of housing types that reflect the full range of price points both renter and owner residents can afford.
    - Formalize collaboration between jurisdictions and across sectors while elevating community voice.
    - Improve how the PLCC engages in its work with members and with local community organizations to address emerging housing issues and to communicate progress.

---

[74] Montgomery Planning. 2019. “Montgomery County Trends: A Look at People, Houses, and Jobs Since 1990.”
[75] Purple Line Corridor Coalition. 2019. “Coming Together to Realize the Potential Beyond the Rails.”
[76] Purple Line Corridor Coalition. 2019. “Coming Together to Realize the Potential Beyond the Rails.”

- As a precursor to the PLCC Housing Action Plan, the 2013 *Long Branch Sector Plan* recognized that the Purple Line could impact real estate and drive up prices. The Sector Plan outlined its key components:
    - Higher density, mixed-use development in the Long Branch CRT zone with optional density incentive for Moderately Priced Dwelling Units (MPDUs).
    - The Plan's goal to maintain affordable housing is centered around the idea that incentives for higher density are a primary way to encourage affordable housing above the minimum.[77]
    - The sector plan's comprehensive strategy includes: the MPDU program, increased funding and programming to create affordable housing, and introducing housing where it currently doesn't exist—on historically commercial properties.

- The PLCC Housing Action Plan goes beyond the recommendations of the Sector Plan in that it encourages cross-jurisdictional collaboration. The PLCC Plan indicates that the only way to make effective change along the Purple Line corridor and in these individual communities is to have bi-county support of supportive policies and regulations.

[77] Montgomery County Planning Department. 2013. *Long Branch Sector Plan*.

Insight 5.3.3: Displacement Associated with Transit-Oriented Development

Challenge

Although public transportation is a much needed asset for a community, the development of rail stations can lead to increases in property values and rents, which disproportionately negatively affects small, independently owned businesses.

Summary

There is a need for additional convenient public transportation to reduce congestion, improve the environment, etc. but transit-oriented development often results in rising property values. Many property owners and developers capitalize on this increase in market value by increasing residential rents, making it difficult for low-income tenants to remain. Additionally, business owners in Long Branch are concerned that the Purple Line will bring increased commercial rents, forcing them to move or close their businesses.

Findings

- Transit oriented development (TOD) is "coordinated land use and transportation plans that locate high density, mixed-use development near high quality rail and bus transit".[78]

- "Long Branch is a largely minority community and in similar communities where a major development is due to come online, the perceived threat of gentrification is always a concern. Successful integration of transit-oriented development without gentrification is fundamental to addressing both preservation of existing rental units and preservation of affordability in neighborhoods that fall under the Proximity to Future Purple Line typology like Long Branch."[79] Gentrification, or the influx of wealthier residents to an area, tends to raise property values and rents, often leading to displacement of current residents.

- Unfortunately, TOD can have negative consequences to a local community – it can attract gentrification and result in displacement of current residents and businesses. Because proximity to transit is valuable, rents and land values increase with TOD. "TODs have the potential to harm more disadvantaged neighborhood stakeholders. While initial concerns focused on housing, there is an increasing awareness of the possible impacts on local businesses, neighborhood institutions, and notions of cultural identity."[80]

- Furthermore, displacement can lead to an increase in vehicle miles traveled (VMT) if current residents are pushed away from the community that they work.

- These negative outcomes were observed in Mission, California, where "between 2000 and 2012, while the rest of the city population rose, the Mission lost 4.8 percent of its

---

[78] Rodier, Alemi & Johnston. 2015. "Exploring Unintended Environmental and Social Equity Consequences of Transit Oriented Development"
[79] RKG Associates. 2017. Rental Housing Study Technical Document, Montgomery County, Maryland.
[80] Ong, Pech, & Ray. 2014." TOD impacts on Businesses in Four Asian American Neighborhoods".

population (displacement), median income increased by 48% (gentrification), and households with cars rose from 37 to 64 percent."[81]

- These negative outcomes are not seen across the board, however. In Oakland, California, the Fruitvale community has seen changes such as an increase in median income and educational attainment, but they have not experienced as much displacement as other communities in the Bay Area, though exact statistics are not available. "Fruitvale's proportion of Latinos barely changed, even as its economic indicators skyrocketed." [82] This is presumably due to the availability of affordable housing and the concentration of community services in the transit-oriented development of Fruitvale Transit Village.

- The *Long Branch Sector Plan* notes that the Washington DC suburbs were the third fastest growing suburbs in the country during the 1940s and 1950s. "Long Branch developed quickly, primarily as a residential community with numerous starter homes (modestly sized, single-family detached homes), many of which were built with the help of FHA and VA home loan programs. In addition, a number of apartment complexes and individual apartment buildings were constructed, and single-family homes converted to multi-family use... apartments were the first home for many transplants and others new to the area."[83]

- The design of most post-WWII housing in large suburban tracts made automobile ownership a necessity. Environmental, lifestyle and health concerns have given rise to the popularity of walkable communities that allow people to choose whether or not to own a car. Transit oriented development allows for increased residential density, mixed-uses and the concentration of public transportation that make such a lifestyle practicable.

- Different communities have experienced a range of outcomes with TOD. Programs such as affordable housing and the concentration of community services may offset some of the potential negative results of TOD, such as displacement of current residents and businesses.

- Based on interviews by the project team, business owners in Long Branch are concerned about displacement of their businesses,[84] or see the development as a business opportunity,[85] depending in part on whether they own the building where their business is housed.

---

[81] Redmond, Tim. April 18th, 2017. "Dramatic new study questions transit-oriented development." https://48hills.org/2017/04/dramatic-new-study-questions-transit-oriented-development/.
[82] Schneider, Benjamin. April 2, 2018. "How Transit-Oriented Development Can Prevent Displacement."
[83] Montgomery County Planning Department. 2013. *Long Branch Sector Plan.*
[84] Interview with Anonymous Retailer #1, September 23, 2019.
[85] Interview with Anonymous Retailer #2. September 23, 2019.

Insight 5.3.4: Commercial/Residential Balance

Challenge

Will Long Branch's small, independently owned businesses be able to thrive if the commercial/residential balance of the community is significantly altered by redevelopment?

Summary

The multicultural commercial fabric of Long Branch may deteriorate if the neighborhood loses the affordability of its housing in which the primary customer base of many of these businesses reside.

Findings

- Immigrant- and minority-owned retail in Long Branch relies on a network of residents of their respective ethnic community that live in the surrounding area. If this residential population is displaced, the bottom-lines of the businesses are threatened, businesses in the neighborhood risk displacement and the further marginalization of the minority population is likely.

- Common retail theory points to a complex matrix of factors that influence the success/failure of businesses and business districts in general.[86] Of special importance is the relationship of the location to the customer base, and their varied needs, as discussed in central place theory.[87] When distance becomes too great, or there's a change in offerings, the residential and business community can face additional turnover.

- The retail businesses are connected to the residential community, which is defined by current demographics that stress a predominantly low-income, immigrant/minority population. "Given the spatial alterations in urban retail structure over the past decades, it is primarily the low-income families that must face the most serious obstacles to retail accessibility," and conversely, "small retail establishments are most likely to survive in places where low personal mobility assures support from a local market"[88]

- "According to the Ethnic Enclave Theory, the most important attribute of an ethnic economy is the geographical concentration of ethnic businesses and the spatial proximity to their (co-ethnic) consumers."[89] [90]

- According to the *Long Branch Sector Plan*,[91] there is a strong probability for construction/redevelopment in the most concentrated sectors for both residential and commercial real estate.

---

[86] Gibbs, Robert. 2012. *Principles of Urban Retail Planning and Development*.

[87] Berry, Brian J.L., H. Gardiner Barnum, and Robert J. Tennant, Robert. 1962. *Retail Location and Consumer Behavior*.

[88] Holly, Brian P. and James O. Wheeler. 1972. *Patterns of Retail Location and the Shopping Trips of Low-Income Households*.

[89] Wang, Shuguang, and Tony Hernandez. 2017. "Reconceptualizing Ethnic Retail." CSCA.

[90] Kaplan, D. H. 1998. "The spatial structure of ethnic economies." Journal Urban Geography.

[91] Montgomery County Planning Department. 2013. *Long Branch Sector Plan*.

- Case Study: Columbia Heights, DC[92] [93] [94]
  - Columbia Heights is over 20 years into its redevelopment—which broke ground with the opening of the Metrorail. Similar to Long Branch, an evolution of plans were created with resident feedback to attract developers and guide development. While the planning documents show a great appreciation of the multicultural fabric—specifically in regards to the Latinx immigrants and historic Black population—there was an ultimate lack of inclusion among the developers in the central parcels of Columbia Heights.
  - Exceptions can be noted for the historic Tivoli theater, whose redeveloper has included the GALA Hispanic Theater. Ultimately, there is a complicated mix of lessons from Columbia Heights, where the prominence of big-box retailers can be seen as an economic success in a narrow definition of retail as satisfaction of consumer demand, but failed in any provision of ownership by the minority and immigrant populations that had been living and conducting business in this neighborhood prior to development. The residential population has also had mixed-success, where newcomers to the neighborhood can expect to pay some of the highest rents in the city, but where 20% of the housing stock has been preserved at income-restricted levels as well.
  - The combined effect has maintained a strong sense of community among the immigrant and minority population that still exist with enough critical mass to maintain a prominent presence in the defining fabric of both the Columbia Heights and adjacent Mount Pleasant neighborhoods. It should be noted that the relative success in affordable housing preservation can be traced towards equity-oriented legislation already in effect as well as active nonprofits able to advise residents and help negotiate their needs between stakeholders. In sum, lessons can be learned from the affordable housing preservation efforts as a central task, and for a well-articulated and proactive approach to include small, immigrant/minority-owned retail.
- Case Study: Chinatown, DC[95]
  - While success can be touted from a branding perspective on how Chinatown has gained notoriety for its institutionalization of the name, there are few remnants of authentic Chinese culture outside of the “Friendship Archway.” Chinatown exists little deeper than the facades of non-Chinese corporate businesses written with Chinese characters, among a handful of Chinese restaurants on the fringe that

---

[92] DC Office of Planning. 1997. *A Community-Based Plan for the Columbia Heights Metro Station Area.* https://planning.dc.gov/sites/default/files/dc/sites/op/publication/attachments/CHPR%2520Plan%2520Full.pdf.

[93] DC Office of Planning. 2004. *Columbia Heights Public Realm Framework.* https://planning.dc.gov/sites/default/files/dc/sites/op/publication/attachments/CHPR%2520Plan%2520Full.pdf.

[94] DC Office of Planning. 2011. *Comprehensive Plan*. https://planning.dc.gov/sites/default/files/dc/sites/op/publication/attachments/District%20Elements_Volume%20II_Chapter%2020_April%208%202011.pdf.

[95] Jan and Pang, Ching Lin. 2007. “The force of regulation in the land of the free.” http://search.ebscohost.com.proxy-um.researchport.umd.edu/login.aspx?direct=true&db=nlebk&AN=193645&site=ehost-live.

serve a mostly tourist population and account for a marginal percentage of commercial activity in the neighborhood.

    - The residential population has been reduced to two apartment buildings, where immigrant Chinese people continue to reside, but who’s long-term place in the neighborhood is far from guaranteed. Chinatown is largely understood as a failure of the city to protect the retail and residential communities associated with the Chinatown name.

- There is a significant connection between a neighborhood’s residential population and the business community.

- Any well-intentioned endeavor to protect the immigrant/minority-owned businesses of Long Branch must include similar endeavors to protect the residential populations associated with the community.

Insight 5.3.5: Protecting Minority-Owned and Minority-Serving Retail During a Suburban Retrofit

Challenge

Policies and programs to protect businesses and people from gentrification and displacement are less well developed in suburban neighborhoods than in urban centers.[96]

Summary

Long Branch is poised for redevelopment, but there are few protections that will retain or create spaces where small, independent businesses can thrive and continue to enrich the community. Using research and lessons learned from a study of Wheaton, Maryland, this insight considers how physical planning, design features, and community organizing can uphold and celebrate the neighborhood's diversity.

Findings

- Similar to Long Branch, the Wheaton neighborhood is a suburban "edge gateway" with a high proportion of immigrant- and minority-owned independent business staring down major County-led redevelopment projects. Edge gateways are those communities outside of urban cores where the proportion of foreign-born residents is 30% or greater; they're often chosen by immigrants as places to live for their affordability and accessibility to jobs and transit. In Long Branch, 40% of the population is foreign-born. In Wheaton, 45% of the population is foreign-born.[97]

- Representation of immigrant and minority business owners in the political process surrounding redevelopment is challenging. During a major anti-displacement organizing effort in Wheaton, decentralized groups struggled to exert consistent, long-term pressure on lawmakers, although they did make significant gains.[98] Organization of retailers in Long Branch appears to be even less representative.[99] Language-access has been cited by County staff, retailers, and advocates as an additional barrier to representation in Long Branch.[100]

- While Montgomery County has one of the region's strongest inclusionary zoning policies to retain moderate-income residents, there are few protections that can guarantee retention of diverse, independent businesses in suburban neighborhoods experiencing an influx of investment. Previously, Wheaton benefitted from a retail preservation overlay zone that specifically sought to preserve an array of "small, street level businesses to

---

[96] Lung-Amam, Willow S. 2019. "Surviving Suburban Redevelopment: Resisting the Displacement of Immigrant-Owned Small Businesses in Wheaton, Maryland." *Journal of Urban Affairs*.

[97] Price, Audrey and Marie Singer. 2008. "Edge Gateways: Suburbs, Immigrants, and the Politics of Reception in Metropolitan Washington."

[98] Lung-Amam, Willow S. 2019. "Surviving Suburban Redevelopment: Resisting the Displacement of Immigrant-Owned Small Businesses in Wheaton, Maryland."

[99] Javier Rivas of the Latino Economic Development Center, in conversation with the PALS project team. September 9, 2019.

[100] Javier Rivas of the Latino Economic Development Center, in conversation with the PALS project team. September 9, 2019; Interview with Judy Stevenson of the Montgomery County Small Business Navigator. October 10, 2019; Interviews with Anonymous Retailers #1 and #2. September 23, 2019.

help retain a small business identity."[101] But, the overlay was dissolved in 2006 due to the perception of some residents that it had discouraged redevelopment efforts.[102]

- Facing redevelopment in Wheaton's downtown, business owners and the Latino Economic Development Center advocated for a strong Community Benefits Agreement (CBA) that would have included job-training, local hiring, small business support, and affordable housing preservation and production, among other benefits. The County did not support this CBA.[103]

- Then-Councilwoman Nancy Navarro—now County Council President—put forth a Small Business Assistance (SBA) program that offers "financially healthy" businesses up to $75,000 in grants to assist with disruption from County-led redevelopment, including potential increased rent burdens.

    - The SBA goes partway, but the narrow definition of what constitutes a "healthy" business — determined by profit records from the preceding three years — unduly precludes businesses likely to be most impacted by County redevelopment projects.[104]

- The Long Branch town center includes three retail strips across numerous parcels, with high occupancy rates of predominantly immigrant and minority business owners. All three retail strips have been zoned CRT. According to one retailer we interviewed, the property owners of a retail strip on Piney Branch Avenue where he runs his business informed this retailer that the center will be redeveloped into luxury condos. The company did not indicate whether they would continue to provide affordable, street-level commercial spaces.[105]

- The *Long Branch Sector Plan* claims that anticipated commercial displacement will be "offset" in the long term by new infill development that will meet neighborhood needs—which is to say nothing of retaining the existing minority-owned and/or minority-serving independent businesses.[106]
- Build an inclusive process for input into decision-making. Montgomery County already knows the challenges inherent in suburban community-organizing efforts, particularly

---

[101] Montgomery County Planning and Zoning Ordinances. Chapter 59, Article C, Division 18, Section 10, "Retail preservation overlay zone for the Wheaton Central Business District." montgomeryco-md.elaws.us/code/zoor_ch59_art59-c_d59-c-18_secs59-c-18.10_sec59-c-18.102; *S*
Lung-Amam, Willow S. 2019. "Surviving Suburban Redevelopment: Resisting the Displacement of Immigrant-Owned Small Businesses in Wheaton, Maryland."
[102] Lung-Amam, Willow S. 2019. "Surviving Suburban Redevelopment: Resisting the Displacement of Immigrant-Owned Small Businesses in Wheaton, Maryland."
[103] Lung-Amam, Willow S. 2019. "Surviving Suburban Redevelopment: Resisting the Displacement of Immigrant-Owned Small Businesses in Wheaton, Maryland."
[104] Lung-Amam, Willow S. 2019. "Surviving Suburban Redevelopment: Resisting the Displacement of Immigrant-Owned Small Businesses in Wheaton, Maryland."
[105] Interview with Anonymous Retailer #1. September 23, 2019.
[106] Montgomery County Planning Department. 2013. *Long Branch Sector Plan.* montgomeryplanning.org/planning/communities/area-1/long-branch.

with immigrant populations, and so should actively recruit participation in multiple languages and through multiple platforms.

- Establish robust Community Benefits Agreements modeled after original CBA proposed in Wheaton, to help govern the TOD redevelopment projects.

- Expand definition of “healthy” businesses eligible for SBA benefits. If County is not amenable to doing away with definition altogether, consider additional factors such as cultural significance of a business, uniqueness of products or services offered, length of time in business, number of local employees, and so on.

- Assess prevalence of urban housing tools such as rent control, inclusionary zoning, and housing trust fund to ensure equitable application of these programs in Long Branch and other suburban communities.

- Support capacity-building for the organizations that are already active in Long Branch, such as the Latino Economic Development Center, particularly those that serve immigrant and minority business owners.

Insight 5.3.6: Property Ownership

Challenge

Can the small, independent businesses of Long Branch maintain their leases and livelihoods during and after the redevelopment of Long Branch?

Summary

Throughout Long Branch, retailers largely do not own the property they occupy, which places them at risk if the owner decides to terminate their lease.

Findings

- Many properties in Long Branch are leased to retailers by Real Estate Investment Trusts (REITs) or other entities, which protect the retailer from the risks associated with property ownership but also subjects retailers to lease agreements that are unstable and/or expensive.

- Along with the increased value of real estate in Long Branch thanks to the new Purple Line station on Arliss Street, property taxes will increase. Increased property taxes create a higher threshold for property ownership, and drive commercial rents up.

- REITs were created by Congress in 1960 to encourage passive revenue-generating property ownership. 90% of returns must be distributed to shareholders as taxable dividends.[107]

    - REITs could use their resources to spur local entrepreneurship with incentives that encourage business incubation and flexible lease terms.[108]

    - REITs are a chance for people to own shares of real estate without the upfront capital to buy property. They can be publicly listed and traded, not listed and publicly traded, or privately owned. There are two types of REITs:

        - Equity REITs generate revenue from rent.

        - Mortgage REITs generate revenue from interest earned on investments and mortgage-backed securities.

- Real Estate Investment Trusts make decisions in the interest of their shareholders.

- REIT's long-term viability is threatened as retail continues to shift. The closure of an anchor tenant can create a snowball effect as smaller retailers will see sales decline in the absence of a major attraction.

    - Shares of retail REITs with "distressed retailers" are down 70-80% from their peak in 2016 (stable REITs are down 30%).

---

[107] Nareit. 2014. "*How Do REITs Work?"* www.youtube.com/watch?v=yDl1_uLR5Os.
[108] Chappell, Carisa. February 6, 2012. "Retail REITs Help Entrepreneurs Get Their Start." www.reit.com/news/articles/retail-reits-help-entrepreneurs-get-their-start.

- 59% of independent retailers are concerned about rising rent, 1 in 4 list it as a top challenge. [109]
- From 5 interviews conducted by the PALS team, 1 retailer owns the building they occupy.
- In Long Branch, there is disjointed ownership, with several major property owners including WashREIT and JBG Smith, which are REITs.
- WashREIT owns Takoma Park Shopping Center which contains three businesses, none of which are small ethnically-owned or -serving businesses.[110]
- JGB Smith owns Piney Branch Shopping Center property at the southeast quadrant of the intersection of Piney Branch Road and Flower Avenue (8513 Piney Branch Road). JGB has informed tenants that the building will be redeveloped into condominiums.[111]
- Case Study: Mercy Corps Northwest[112]
    - o Mercy Corps Northwest created a **Community Investment Trust**, designed to attract low-income investors in the community around a shopping center: "The property has about $450,000 in equity. Investors can buy in for as little as $10 per month and a maximum of $100 per month. Tenant rent is used to pay the mortgage and property expenses. Whatever's leftover is paid out as annual dividends. Over time, as the mortgage principal is paid down and if the building value appreciates, the shares will pay out higher dividends."
    - o Mercy Corps required investors to be at least 18 yrs old, live in one of the 4 local zip codes, and have taken Mercy Corps' financial literacy class.
    - o Low threshold to investment – can contribute $10-100/month.
- Case Study: DDR Corp.'s Set Up Shop in this Space program in Atlanta[113]
    - o A leasing program with flexible leasing terms for entrepreneurs by real estate property owner DDR Corp.

---

[109] LaVecchia, Olivia and Stacy Mitchell. 2016. *Affordable Space: How Rising Commercial Rents Are Threatening Independent Businesses and What Cities Are Doing About It.* https://ilsr.org/affordable-space.
[110] KLNB Retail. (n.d). "Takoma Park Shopping Center: 8750 Arliss Street, Takoma Park, Md 20912 Prince George's County."
[111] Interview with Anonymous Retailer #1. September 23, 2019
[112] Cohen, Josh. May 30 2017. "In Portland, an Experiment to Make Real Estate Investment Affordable for All." Next City. https://nextcity.org/daily/entry/portland-real-estate-investment-affordable-to-all.
[113] Corp, DDR. Feb 2, 2012. "DDR Launches Set Up Shop, New Incubation Program for Small Businesses and Entrepreneurs." https://www.prnewswire.com/news-releases/ddr-launches-set-up-shop-new-incubation-program-for-small-businesses-and-entrepreneurs-138557599.html.

    - Retailers get access to a team of experts to help entrepreneurs get through their first few months (via SCORE)

    - Free rent in DDR's designated small spaces for the first six months

- Case Study: Kimco Realty Corp.'s FastTrack program

    - An online database of small spaces in Kimco (a REIT) properties and pre-approved franchises to install in them—largely national chains. Includes business advice from Kimco team.

Insight 5.3.7: Availability of Affordable Commercial Space

Challenge
Increasing commercial rents is a barrier to entry and the stability of small, independent business owners.

Summary
The cost of commercial rents in Long Branch — currently driven higher by redevelopment speculation — is one of the biggest barriers to both the short- and long-term stability of retail businesses.

Findings

- Most Long Branch businesses operate through leases and have a lower-than-average ownership rate compared to the rest of Montgomery County.[114] Rental protections for commercial tenants are rare and can be tenuous. For example, property owners in Montgomery County can increase their tenants' fees for Common Area Maintenance charges without warning and without a cap,[115] putting immense and unpredictable pressure on retailers to stay afloat.

- Redevelopment of existing commercial spaces can compound unaffordability, as smaller spaces or an array of square footage options are exchanged for larger facilities geared toward attracting established commercial chains.[116]

- The impending construction of the Purple Line through Long Branch is likely to exacerbate unaffordability, as light rail transit has been shown to correlate with the increased property value of surrounding real estate.[117] In other words, unaffordability stands to worsen, not improve.

- If and when neighborhoods businesses are displaced by high rents, surrounding residents also lose. Neighbors miss out on the ability to walk to retail,[118] on space to connect with each other,[119] and on a shared concept of neighborhood identity.[120] Home values can also suffer.[121]

- A significant proportion of commercially zoned parcels in Long Branch are vacant and designated as ready for redevelopment and future retail use. These properties,

---

114 Montgomery County Planning Department. 2013. *Long Branch Sector Plan.*
115 According to Javier Rivas of the Latino Economic Development Center, in conversation with project team on September 9, 2019.
116 LaVecchia, Olivia. Stacy Mitchell. 2016. *Affordable Space: How Rising Commercial Rents Are Threatening Independent Businesses and What Cities Are Doing About It.* https://ilsr.org/affordable-space.
117 Katherine Shaver. 2018. "Maryland awarded $2 million federal grant to get 16-mile corridor 'prepared' for Purple Line." The Washington Post, December 20, 2018.
118 LaVecchia, Olivia and Stacy Mitchell. 2016. *Affordable Space: How Rising Commercial Rents Are Threatening Independent Businesses and What Cities Are Doing About It.* https://ilsr.org/affordable-space.
119 Munekiyo, Tessa and Karen Chapple. 2009. Social Seams in Mixed-Income Neighborhoods: A Case Study of Garfield Square Park.
120 Arnold, Heather and James McCandless. 2014. *Vibrant Streets Toolkit*.
121 Arnold, Heather and James McCandless. 2014. *Vibrant Streets Toolkit*.

particularly Development Site 1, noted in the Long Branch Sector Plan, are large and have consolidated ownership.[122]

- Retailers we interviewed expressed hesitation at renewing leases, citing conversations with property owners about their plans to redevelop these occupied properties into condos as soon as the Purple Line is constructed.[123] These retailers are already feeling squeezed by what they see as the growing unaffordability of commercial and residential space, compounding risks of doing business in Long Branch.

- The vast majority of commercial parcels — vacant or activated — are designated as Commercial Residential Town (CRT). CRT is a designation for “small downtown, mixed-use, pedestrian-oriented centers,” with ground-floor retail that has a limited footprint in order to preserve the “town scale.” But, definitive protections for a specified variety of commercial sizes are absent or strictly optional.[124]

- Many retailers operating in Long Branch occupy single-story commercial spaces. CRT zoning indicates that motivated property owners could redevelop the spaces to add height and residences and/or increase the commercial square footage. The zoning also offers a density bonus to developers willing to build more than 12.5% of new units as Moderately Priced Dwelling Units.

- According to the Institute for Local Self Reliance, name-brand retail and commercial development does not equate to better economic development. In fact, national chains can homogenize once-vibrant downtowns.[125]

[122] Montgomery County Planning. 2013. *Long Branch Sector Plan*.
[123] Interviews with Long Branch business owners, September 25, 2019.
[124] Montgomery County Planning. 2013. *Long Branch Sector Plan*.
[125] LaVecchia, Olivia and Stacy Mitchell. 2016. *Affordable Space: How Rising Commercial Rents Are Threatening Independent Businesses and What Cities Are Doing About It.* https://ilsr.org/affordable-space.

Insight 5.3.8: Perception of Stability and Creditworthiness

Challenge

Small, independent, and minority-owned entrepreneurs are less likely to receive the funding they need to succeed because traditional banks view larger companies with established credit history as safer investments.

Summary

A perceived lack of business stability and creditworthiness prevents small businesses from winning commercial leases for retail, especially in new or newly-competitive developments.[126] This creates a very high threshold to entry for new businesses or businesses looking to relocate, expand, etc.

Findings

- Competition from national chains with stronger financial backing and credit histories puts local small businesses at a disadvantage when bidding for commercial leases, even if national chains do not pay ultimately higher rents.[127]

- "Banks and other lenders often provide lower interest rates or better terms if a building owner has signed a national brand,"[128] making loans cheaper for the owner.

- 42% of local businesses in need of loans are unable to obtain one.[129]

- "Number of new start-up businesses has fallen by one-fifth over the last 30 years." Small business loan volume has not returned to pre-recession levels, while those to large businesses have.[130]

    - As of 2011, the number of new employer businesses (those that employ more than one person) had fallen 27 percent since 2006[131]. Single-person businesses do not create jobs at a rate sufficient to generate economic growth.

---

[126] LaVecchia, Olivia and Stacy Mitchell. 2016. *Affordable Space: How Rising Commercial Rents Are Threatening Independent Businesses and What Cities Are Doing About It.* https://ilsr.org/affordable-space.

[127] LaVecchia, Olivia and Stacy Mitchell. 2016. *Affordable Space: How Rising Commercial Rents Are Threatening Independent Businesses and What Cities Are Doing About It.* https://ilsr.org/affordable-space.

[128] LaVecchia, Olivia and Stacy Mitchell. 2016. *Affordable Space: How Rising Commercial Rents Are Threatening Independent Businesses and What Cities Are Doing About It.* https://ilsr.org/affordable-space.

[129] Institute for Local Self Reliance. 2014. Independent Business Survey

[130] Mitchell, Stacy. 2014. "Access to capital or local businesses." https://ilsr.org/rule/financing-local-businesses.

[131] Reedy, E. J., Robert E. Litan. 2011. *Starting Smaller; Staying Smaller: America's Slow Leak in Job Creation*. www.politico.com/pdf/PPM153_small.pdf.

    - "At the level of individual businesses, one data series (BLS establishment data) showed that in the 1990s new establishments opened their doors with about 7.5 jobs on average, compared to 4.9 jobs today."[132]

- Many banks have consolidated in the last 15 years: community banks that make loans to local businesses are disappearing, being swallowed up by big banks. These larger banks have little information about or a sense of the local business climate and the borrower, so have higher default rates on local business loans.

- The US Small Business Association backs a small proportion of these loans via the 7(a) program, (85% of loans under $150k, 75% of loans $150k-$5 million)[133]

    - Case Study: Family Owned Restaurant, California

        - A family owned restaurant had $225,000 in debt and wanted to to consolidate open debts. The US Small Business Association helped the family negotiate loans down to $137,000 , and consolidated it into an SBA Loan. Debt was dramatically reduced, and the load provided working capital, restoring monthly cash flow.

- The New Markets Tax Credit (NMTC) program stimulates local economies in low-income, distressed communities. A proven, cost-effective tool, the NMTC supports job creation and encourages small businesses to expand.

    - Case Study: R House, Baltimore, Maryland

        - An NMTC generated $11 million of the project's budget, which created a 2-story, 50,000 square foot building, 3 townhouses, and 15,000 sq. ft. ground floor retail space. The retail space is an open market and modern-day food hall with 10 small kitchens for entrepreneurial food vendors. Commercial rents are "reasonably priced". The space includes The Pop Up, a kitchen that changes chefs and their teams to give an opportunity to test their concept for a week or two.

- Montgomery County has a Small Business Financing website[134] which outlines resources available to businesses. However, during our interviews most business owners were unable to cite ways they knew how to obtain funding. This presents an opportunity to provide increased marketing of these tools.

- There are 10 Community Development Financing Institutions (CDFIs) working in Maryland. These institutions provide non-traditional banking products to populations that do not qualify but often come at a higher interest rate.

---

[132] Reedy, E. J., Robert E. Litan. 2011. *Starting Smaller; Staying Smaller: America's Slow Leak in Job Creation*. www.politico.com/pdf/PPM153_small.pdf.
[133] Mitchell, Stacy. 2014. "Access to capital or local businesses." https://ilsr.org/rule/financing-local-businesses.
[134] "Financial Resources - Montgomery County Business Portal." n.d. www.montgomerycountymd.gov/Biz-Resources/business-financing.html.

- Montgomery County has products and programs in place to help businesses affected by development projects. Those that could be useful in Long Branch are:
    - Small Business Assistance Program - for businesses adversely affected by a County-funded redevelopment project or a redevelopment project located on County-owned property
    - Small Business Impact Assistance - up to $25,000 for “financially healthy” small businesses in designated areas of the County adversely affected by redevelopment project initiated by the County, a redevelopment project located on County-owned property, or a redevelopment project constructed by a private entity for use in whole or in part by the County as a public facility. Financial assistance may take the form of a conditional grant or a loan. (A particular business cannot benefit from both SBAP and SBIA).

Insight 5.3.9: Defining “Healthy” Businesses

Challenge

While businesses in Long Branch provide many benefits to the community beyond their profitability, they are often unable to meet official County definitions of a “healthy” business—making them ineligible for certain financial assistance.

Summary

Montgomery County’s small business offerings are distinguished by their ability to meet the needs of a diverse range of populations.[135] This is especially important as County demographics have shifted to become majority-minority in recent years.[136] Yet, the County’s current approach to defining “healthy” businesses in statute is not equitable for minority- and immigrant-owned retail.

Findings

- Primary efforts at the County level to define “healthy” businesses — notably in the 2016 implementation of the Small Business Assistance program — have centered exclusively on profitability.[137]

- Another way to measure appropriate commercial mix is by evaluating the retail equilibrium, or the degree to which retail supply and retail demand are even. As of 2016, demand exceeded supply in the County’s Silver Spring submarket, which includes the Long Branch area.[138] Even so, supply and demand are not the only factors to determine when a retail mix is healthy.

- A healthy business mix can also be understood through the dimensions of its economic, physical, social, and political value (see Table 1), particularly at the neighborhood and street levels.[139]

- Narrow definitions of health and success will become increasingly problematic as Long Branch and similar communities face redevelopment associated with the Purple Line.

---

[135] Streetsense. 2017. *Montgomery County Retail Strategy*.

[136] In 2016, people of color comprised 55.5% of the total population in Montgomery County. See the Demographic Analysis included in this toolkit for more information.

[137] The Small Business Assistance program language reads: “One of the prior 3 years must show a net profit, or, if the business was in operation for less than 3 years, the most recent year must show a net profit.” For more consideration, see Lung-Amam, Willow S. 2019. “Surviving Suburban Redevelopment: Resisting the Displacement of Immigrant-Owned Small Businesses in Wheaton, Maryland.”

[138] Streetsense. 2017. *Montgomery County Retail Strategy.*

[139] Sutton, Stacey. 2010. *Rethinking Commercial Revitalization: A Neighborhood Small Business Perspective*.

Table 1. Dimensions of Healthy Business Mix

	Direct and Indirect Benefits
Economic	● Job creation ● Tax revenue ● Commercial occupancy ● Improved property values ● Neighborhood hiring ● Meets needs of current residents
Physical	● Walkability ● Visual cohesion ● Space for public art (murals) ● Promotes investment in public infrastructure (street lights, sidewalks)
Social	● Space for community ● "Eyes on the street" ● Contributes to neighborhood identity ● Entry/ease for international populations ● Community pride
Political	● Builds knowledge of local regulatory environment ● Can contribute to collective voice/action ● Supports regional policy goals (reduced auto dependence) ● Cultivates access to local political actors

Source: Modeled after an investigation of local business in Fort Greene, Brooklyn by Sutton, Stacey (2010). *Rethinking Commercial Revitalization: A Neighborhood Small Business Perspective*.

- "Profit" is an inequitable measure of business health. In minority and international commercial centers, owners are often subject to a predatory financial landscape.[140] Data demonstrate that commercial redlining, underinvestment, and differential access to financial tools, advising, and recourse can start businesses off on an uneven playing field.[141] One Long Branch business owner we spoke to, for example, reported being required to pay $10,000 at the start of his lease for updates to the property that never materialized.[142]
- Immigrant settlement into gateway neighborhoods often occurs because it's easier for immigrants to find housing, transportation, jobs, and "goods and services that cater to

[140] Lung-Amam, Willow S. 2019. "Surviving Suburban Redevelopment: Resisting the Displacement of Immigrant-Owned Small Businesses in Wheaton, Maryland."
[141] Lung-Amam, Willow S. 2019. "Surviving Suburban Redevelopment: Resisting the Displacement of Immigrant-Owned Small Businesses in Wheaton, Maryland."
[142] Interview with Anonymous Retailer #1. September 23, 2019.

them."[143, 144] Reducing business value to a profit margin does not account for associated social benefits such as ease of entry for immigrants, community pride, and neighborhood identity.

- A recent quantitative study on retail presence in New York City found that lower-income neighborhoods have fewer chain stores and restaurants.[145]This is contrary to conventional wisdom, but in keeping with dominant economic development patterns that favor name-brand retail. The implication is that infusions of outside investment or the growth of residential wealth can have the effect of driving out small business rather than bolstering it. This fear was echoed by one retailer we interviewed who asserts that 90% of his clientele are Latino: "When they go, I'll have to go."[146]

- In numerous studies, independent businesses contribute a significantly greater amount of economic investment — almost double — within the local community than national retail chains; this is known as the multiplier effect of local independent business.[147]

- A Montgomery County retail study determined in 2017 that Long Branch has a model retail mix for a suburban downtown — finding it to be "well-tenanted, well-maintained, and accessible to cars and pedestrians."[148] We heard echoes of this sentiment in our interviews with local business owners, the majority of whom are growing and optimistic about their future.

- Yet, optimistic business owners did not appear to be thinking about the potential future physical form of Long Branch, disruption from construction of the Purple Line, or potential future competition with soon-to-be connected shopping destinations.[149] The challenge becomes how to ensure that these same optimistic and growing businesses continue to thrive.

---

[143] Price, Marie and Audrey Singer. 2008. *Edge Gateways: Immigrants, Suburbs, and the Politics of Reception in Metropolitan Washington.*

[144] Lung-Amam, Willow S. 2019. "Surviving Suburban Redevelopment: Resisting the Displacement of Immigrant-Owned Small Businesses in Wheaton, Maryland."

[145] Meltzer, Rachel and Jenny Schuetz. 2012. *Bodegas or Bagel Shops? Neighborhood Differences in Retail and Household Services.*

[146] Interview with Anonymous Retailer #1. September 23, 2019.

[147] Institute for Local Self Reliance. *Key Studies: Why Local Matters*.

[148] Streetsense. 2017. *Montgomery County Retail Strategy.*

[149] Interviews with Anonymous Retailers #1 and #1, September 23, 2019.

6. preliminary recommendations

6.1: Reframing the Question

Initially, the PALS project team was tasked with exploring all the potential challenges facing Long Branch in regards to the development and construction of the Purple Line. Throughout the process of researching these challenges and the impacts they would have on the community and local businesses, interviewing the business owners, and examining case studies, the team gained tremendous insight into different tools that might be used to mitigate the effects of redevelopment in Long Branch.

One of the most significant findings of the team was that a thriving business could be measured by more than profitability. Small, locally owned businesses are valuable to the community if they meet the needs of current residents, create jobs and hire locally, collect sales tax, occupy storefronts, improve property value, contribute to neighborhood identity and community pride, provide space for community gathering and public art, promote walkability, and act as "eyes on the street," as well as making it easier for international populations to gain a sense of place.

Some of the primary tools that have been studied by the PALS project team are included below.

> ***The displacement of residents in Long Branch is a concern for independent retailer preservation. As such Comprehensive Affordable Housing Protections should be pursued and*** *include anything from inclusionary zoning and low-income housing tax credits to rent control, opportunity to purchase programs, or the use of eminent domain to secure land for affordable housing. Affordable housing protections also include employment training, legal support for residents, and other social services. Washington, DC's Home Purchase Assistance Program or Tenant Opportunity to Purchase Act could help some low- and moderate-income Long Branch residents stay put, but the County might also consider adjusting how its MPDU program is deployed in Long Branch, giving preference for new units to current residents.*

6.2: Policy and Process Solutions

The Maryland Purple Line represents an extraordinary investment, decades in the making. As such, it requires similarly extraordinary preparation to ensure that positive outcomes will be absorbed equitably throughout Montgomery County and in Long Branch, in particular.[1] The recommendations seek to guide decision-makers toward policies and processes that can ensure minority- and immigrant-owned businesses will prosper throughout and beyond construction of the Purple Line, while still allowing the neighborhood to evolve and flourish. It is the contention of this toolkit, in fact, that preserving a diverse array of small, independent businesses — and the residents who patronize them — is critical to ensuring that Long Branch continues to be celebrated as a vibrant community that diverse people will want to call home. The following represent the top tools for bringing to life a future that business owners, residents, developers, officials, and advocates can all support.

- **Small Business Assistance Program:** Expand the County's definition of "healthy business" in statute to include more than just profit margin, particularly when considering businesses in immigrant centers. This will help ensure that more businesses have access to Small Business Assistance that can offset Purple Line construction disruptions and increased competition. With a more inclusive definition of eligibility, this Montgomery County funding program could help offset potential losses and displacement with development. Funds could also be applied to offset anticipated increases in rent.

- **Commercial Inclusionary Zoning and Set-Asides:** Inclusionary commercial zoning is a protecting intended to require that redevelopment include a certain proportion of below-market-rate commercial spaces at a variety of sizes. The zoning could be wielded in tandem with set-asides that favor locally owned retail, preferably retail that already operates in Long Branch. Through a zoning pilot in East New York, redevelopments which include 10,000 square feet of commercial space must set aside the lesser of 20% or 5,000 square feet of that space for locally owned businesses, and offer leases to those businesses at 30% below market rate.

- **Commercial Preservation Overlay Zoning:** Adopt a retail preservation overlay zone in Long Branch, modeled after the overlay zone in Wheaton that was dissolved in 2006. That overlay zone contained incentives to preserve ground-floor retail at certain proportions and in smaller sizes — something that could prevent retail in Long Branch from giving way to chains as wealth and investment increase. This tool could enforce County decisions about commercial space and size requirements, densities, and set-asides. The overlay in Wheaton was dissolved in 2006 because it was perceived to inhibit redevelopment, but redevelopment in Long Branch is inevitable, with or without protective zoning. The County has a narrowing opportunity to get out ahead of development. Consider as well making the optional method of CRT development required when it comes to supporting small business, local ownership, and workforce development; the *Long Branch Sector Plan* already lays out the foundation for how this could be accomplished.[2] Or, the optional method should be more deeply incentivized or further catered toward small business retention and growth.

- **Legacy or Landmark Designation Program:** Implement a program that recognizes small businesses that have reached a certain age and contribute to the community in a valued way, similar to San Francisco's Legacy Small Business Registry. This program recognizes small businesses as historic and cultural assets, and incentivizes their preservation by providing Small Business Assistance grants of $500 per employee or up

[1] While this project is focused on Long Branch, the authors assert the importance of these policies and ordinances in any Purple Line Corridor context.
[2] Montgomery County Planning Department. 2013. *Long Branch Sector Plan*.

to $50,000 a year. Landlords of Legacy Small Business are eligible for rent stabilization grants of $4.50 per square foot or a total of $22,500 a year for extending leases of Legacy Businesses for a 10-year minimum. Employees are also eligible for annual cash grants of $500 each. Business must be nominated, approved, and in operation for 20 to 30 years to be eligible.[3]

- **Commercial Impact Fees:** Similar to Montgomery County's existing requirement for new development to pay impact fees that offset the costs in associated improvement of public facilities such as schools, roads, and Fire & EMS services. Commercial impact fees could be leveraged to fund any number of supports for retailers affected by the Purple Line, from signage and marketing during construction, to facade improvements, to subsidizing rents for landlords who offer long-term leases.

- **Community Benefits Agreements (CBAs):** A CBA intends to ensure that current residents and business owners also benefit from the increases in land price that often drive redevelopment and allow it to be profitable; the CBA provides tangible benefits to a surrounding community—such as affordable commercial rental space, public parks, support for job-training programs, high proportions of on-site affordable housing—in exchange for supporting the developer's progress through the permitting process. A well-executed CBA, backed by the municipality, can be an incentive for developers, particularly if the County withholds permits, development agreements, or subsidies until the CBA is signed.

- **Neighborhood Equity Coordinator:** Inspired by Detroit's Business District Liaisons, this County-funded, full-time position would be dedicated to decentralizing the relationship between County government, developers, and the small business community. Particularly in Long Branch, where the majority of retailers we interviewed work 12 to 17 hours per day and speak at least one language other than English, a Neighborhood Equity Coordinator could provide essential linkages between local enterprise and investment associated with the Purple Line. There's also an opportunity to provide connections to existing resources available in the small business ecosystem.

- **Comprehensive Affordable Housing Protections:** These protections could include anything from inclusionary zoning and low-income housing tax credits to rent control, opportunity to purchase programs, or the use of eminent domain to secure land for affordable housing. Programs modeled on Washington, DC's Home Purchase Assistance program or Tenant Opportunity to Purchase act could help some low- and moderate-income Long Branch residents, but the County might also consider adjusting how its MPDU program is deployed in the neighborhood, giving preference for new units to current residents.

- **Community Land Trusts:** Community ownership of property can facilitate long-term affordable leases for both businesses and housing. The formation of a land trust could be facilitated by collaboration between residents, business owners, the County, nonprofits, funding agencies, and other community players. The Northeast Investment Cooperative in Minneapolis, for example, was founded by a group of neighbors who wanted to invest locally and ensure diverse retail offerings in their neighborhood. The two buildings they purchased now house three thriving locally owned enterprises.

[3] San Francisco Planning. 2019. "Legacy Business Registry." sfplanning.org/project/legacy-business-registry.

Community land trusts can be a powerful tool for neighborhoods on the cusp of change, when property values are still relatively affordable.

- **Community Organizing:** The aim of community organizing is to build alliances across lines of race, ethnicity, class, and age so that members of a community can develop a spirit of common interest and participation for the benefit of that community. Outcomes of community organizing include high levels of engagement, community cohesion, pragmatic solutions, increased accountability for decision-makers, and attention to how policies are implemented. One powerful way to coalesce a community that is facing redevelopment is through placemaking activities, which help members of the community envision how they would like to preserve and celebrate their community as investments are made and their physical spaces begin to change. Another way to organize the business community specifically, would be through a Neighborhood Equity Coordinator, someone employed by the County to work with small, independent business owners to provide much-needed connections between those businesses and the County, as well as targeted financial, technical and organizational assistance.

6.3: Placemaking Reinforces Economic & Social Vitality

Challenge

Redevelopment of Long Branch could lead to displacement, but early intervention with placemaking activities could result in redevelopment that retains the culture of the neighborhood, encourages participation, and defines the community.

Summary

Placemaking is "a collaborative process by which we can shape our public realm in order to maximize shared value."[4] The purpose of placemaking is to "create quality places people want to live, work, play, and learn," with the aim to "strengthen the connection between people and the places they share" by "paying particular attention to the physical, cultural, and social identities that define a place and support its ongoing evolution."[5]

Findings

- Placemaking is generally positive for a community because of the psychology of how people interact with their environments. For example, "sociologists have observed that people who live in a more closely knit community, are more likely to engage in small anonymous acts of charity (mailing a stamped and addressed envelope found on the ground). And when an environment is full of litter…people are more likely to dump their own personal trash there… ."[6]

- Placemaking may also be able to encourage future investment and participation in the community. In the same way that young people experience better outcomes when they personally interact with adults with whom they can relate and who demonstrate making positive choices in their lives, budding entrepreneurs may be inspired and encouraged by doing business in a community with strong social ties.[7]

- The development of the Purple Line and the construction of two new stations in Long Branch (without any additional parking) will change the dynamic of the area somewhat from auto-centric to more pedestrian-oriented.

- Besides fear of fundamental neighborhood changes such as gentrification and displacement, there is also a concern that redevelopment of the Long Branch area might result in the loss of the cultural identity. A placemaking program could build a sense of physical and social during and after Purple Line construction.

- Less urgently but also important, is the use of public spaces as antidotes to car dependence, sedentary lifestyles, and social isolation "…the public component of our lives is disappearing. It is more and more important to make the cities inviting, so we can meet our fellow citizens face to face and experience directly through our senses. Public life in good quality public spaces is an important part of a democratic life and a full life."

[4] Project for Public Spaces."What is Placemaking." www.pps,org/placemaking.
[5] Steuteville, Robert. 2014. "Four Types of Placemaking."
[6] https://bigthink.com/ideafeed/how-your-environment-shapes-who-you-are
[7] https://www.educationandbehavior.com/assess-the-value-of-positive-role-models-on-ones-behavior/.

(Jan Gehl)[8] "Public spaces have the potential to bring people of many different cultural backgrounds together…which can help break down social barriers that far too often divide us."[9]

- Placemaking germinated in the groundbreaking theories proposed by Jane Jacobs and William H. Whyte in the 1960s, but gained traction in the mid-1990s.

- In Long Branch, the majority of placemaking efforts have been undertaken by the Long Branch Business League, with its Discover Long Branch! initiative, according to Montgomery Housing Partnership Economic and Cultural Development Specialist, Paul Grenier.[10] The goal of this initiative is to rebrand Long Branch as a family-friendly and creative place. The efforts have resulted in public art, including many of the murals on Flower Avenue, and regular community events, such as the annual Long Branch Festival and the DiscoverLongBranch 5K race.

- A community-based placemaking exercise allows residents to participate in the design and creation of great spaces that reflect their cultural heritage and allow them to feel included, helping to break down social barriers, facilitate community involvement and resist displacement. It is often an economic tool that is used to revitalize a community or help it maintain its heritage.

    - Case Study: City Repair Cleveland, Cleveland, OH.[11]

        - A grassroots (i.e. sans government permission) placemaking effort led by architect Mark Lakeman in the late 1990s in Portland, OR, called Share-it Square. Share-It Square was a pop-up weekly teahouse in an empty lot which grew from 25 to 200 in attendance, and eventually included a lending library, community bulletin board, seating, and ultimately a massive painting in the adjacent intersection.

        - In 2013, Lakemen was invited to Cleveland to share placemaking experience and expertise.

        - Cleveland foundation Neighborhood Connections proposed similar community-led placemaking projects in three neighborhoods: Larchmere and Buckeye-Shaker Square, Stockyards, and Newark Alley.

        - Through an extensive public, minority-led process, a street mural was painted in each neighborhood according to a collaborative design created to reflect each community's unique character, bridge cultural and racial divides, and communicate relevant history.

            - "We made a lot of positive progress: the transformation of a formerly deserted and avoided alleyway, hope and confidence in the children, people feeling joy and pride about who they are and

[8] Fan, Yingling. 2016. "The Future of U.S. Transit is in Regional Place-Making, Part 1".
[9] Knapp, Courtney. 2008. "Making Multicultural Places."
[10] Grenier, Paul. Interview by Anna Brinley, Will Duggan, and Lily Murnen. El Golfo restaurant, Long Branch. September 6, 2019.
[11] Silberberg, Susan. 2013. "Places-in-the-making: How placemaking builds places and communities." http://betterblock.org/wp-content/uploads/2013/11/Places-in-the-Making_CONFIDENTIAL.pdf

where they live, and three generations working together." - Adele Kious, Neighborhood Connections development consultant.

        - For these communities, placemaking was possibly more valuable than final intervention.

            - "The activities associated with designing a mural, painting it, and holding parties obviously engage the neighborhood and create a stronger sense of attachment between neighbors. This sense of community is what any neighborhood needs to be a great place to live." - Cleveland Planning Director Robert Brown

- Placemaking can breathe new life into a declining area, spurring economic growth.

    - Case Study: Broken Arrow, Oklahoma.

        - A group of community leaders collaborated on a plan to create a "pedestrian and business-friendly atmosphere," now known as the Rose District.

        - Less than two years after the sidewalk renovations were implemented, more than $10 million were invested, resulting in doubled property and sales tax revenues in just over a year.[12]

[12] Langley, Matherly & Finkle. 2017. "Place Matters: the Role of Placemaking in Economic Development". http://www.bigskyeconomicdevelopment.org/wp-content/uploads/EDRP_Placemaking.pdf.

6.4: Building Inclusion Through the Public Library

Challenge

Redevelopment of Long Branch could fundamentally change the core of the community, but encouraging the integration of the existing public spaces with a new town center could ensure that the design is inclusive and that the town center is truly available to all.

Summary

The existing Long Branch Library is an asset to the community, and is located just across the street from the forthcoming Purple Line station at Arliss Street. The Library is on a large lot that connects to a park and the Long Branch Community Center to the east via footpath, and it has plenty of free parking. A community asset like a public library affords the local government leverage in designing civic space that has been planned with inclusivity in mind. The Long Branch Library could serve as an anchor for future town center design, which could help motivated small business owners carve out and preserve their own interests when faced with redevelopment.

Findings

- Redevelopment can often lead to displacement, because it tends to attract high-end retailers, which leads to higher rents and displacement of small businesses.

- High-end retail drives lower income customers away. Anchoring a mixed-use space with a public amenity, such as a public library, sends a message that all are welcome, and provides an opportunity for inclusive design.

- Amenities like libraries can serve communities and entrepreneurs by providing access to information and technological resources often unavailable to business owners at home. These resources can range from simple internet access, to business counseling services, to printing capabilities, to meeting space and free workshops on topics such as entrepreneurship, permitting processes, and networking.

- Long Branch is a thriving multicultural community. The residents of the multi-family housing immediately surrounding the new Purple Line Station on Arliss Street have demonstrably lower average income than in other areas of Long Branch, and significantly lower than the average income of Montgomery County.

- The addition of the Purple Line station at Arliss Street makes redevelopment of some areas of the Long Branch community inevitable. The *Long Branch Sector Plan* indicates that the area of Piney Branch Road and Flower Avenue is designated as the Long Branch Town Center.

- The Sector Plan calls for a “Central Civic Green Urban Park, at least ½ acre, depending on projected densities, located in the center of the Town Center block...close to the Arliss Street Station, next to activating uses, with a mixture of hard and soft surfaces, including a central lawn area for events”[13]

---

[13] Montgomery County Planning Department. 2013. *Long Branch Sector Plan*.

- The Long Branch Library has served the community in its current location (at the intersection of Arliss Street and Garland Avenue) since 1964. It is currently serving about half the population it is capable of supporting. There are currently no plans to renovate or rebuild the Library.

- In an interview with the project team, Keith's Laundromat owner Pedro R. expressed concern that the forthcoming development will displace his customers and force his business to fail. Pedro estimates that 90% of his customers are Latinx, and will be unable to afford to live in the Long Branch neighborhood when property values rise.[14]

- "Public libraries are logical partners for local economic development initiatives that focus on people and quality of life" because they are:

    - Open to the public,

    - Highly regarded institutions,

    - Provide a broad range of information services such as

        - Employment and career resources,

        - Small business resources,

        - Early literacy services, and

    - Provide support for diverse constituencies.[15]

- Focusing on inclusion while planning civic spaces means that all members of the community can benefit from the redevelopment. "Today, a growing number of public spaces are built specifically for low-income or disadvantaged residents, or as celebrations of a neighborhood's history and diversity. While high profile companies and retailers are often attracted to new public assets, designing for inclusivity allows all members of a community to benefit from these developments."[16] Case Study: 11th Street Bridge Park, Washington D.C.:

    - The new 11th Street Bridge Park will cross the Anacostia River, connecting two neighborhoods historically divided by race and class.[17]

    - To prevent displacement and promote shared growth on both sides of this new amenity:

        - Communities on both sides of the river participated in hundreds of meetings and collaboration sessions on park programming

---

[14] Interview with Long Branch Retailer #1. September 23, 2019.

[15] "Making Cities Stronger: Public Library Contributions to Economic Development". Urban Libraries Council.

[16] Pedigo, Stephen. "How Developers Built Inclusive Public Spaces and Won". Resonanceco.com.

[17] Kratz, Scott. 2019. "How a Washington, DC Park Can Serve as a Model for Bridging Social and Economic Divides." https://www.brookings.edu/blog/the-avenue/2019/07/09/how-a-washington-d-c-park-can-serve-as-a-model-for-bridging-social-and-economic-divides/.

- The 11th Street Bridge Park and its partner Building Bridges Across the River created an Equitable Development Plan, which includes restrictions and plans along 4 dimensions: housing, workforce development, small business enterprises, and arts and culture.

- For small business enterprises, the EDP specifically proposed:[18]
  - Creating space in the new amenity for small businesses to vend or provide services in the park itself
  - Contract with local businesses in the construction phase
  - Encourage coordination among existing local businesses and provide education and training on available resources.
  - "Advocate for developers to commit to including small business tenants, including local artists and creative entrepreneurs, in city and privately-owned properties that are zoned for commercial use east of the Bridge Park," including creating incentives for developers to lease to artists, existing small businesses, etc.
  - Community Benefits Agreements
  - Create a walkable, well-connected, easy-to-navigate environment that drives foot traffic to local businesses

---

[18] 11th Street Bridge Park, Building Bridges Across the River. n.d. "11th Street Bridge Park's Equitable Development Plan." Washington, DC. https://bbardc.org/wp-content/uploads/2018/10/Equitable-Development-Plan_09.04.18.pdf.

7. interviews

7.1 Interviews with Retailers

Long Branch Retailer #1

September 23, 2019

Summary

This retailer and his wife, are native Spanish speakers who live in Long Branch and have owned and operated their laundromat for the past ten years. They purchased the business from the previous lessee, and the property is one of several on a block owned by a DC-area REIT, JBG Smith. The rent, water bill, and gas bill are around $7,000 per month, but it is the new laundromats in the neighborhood and the impending Purple Line that have pushed the owners to consider closing when their lease expires in 2020. In their view, the light rail stop will lead to the erosion of their entire customer base — 90% Latino — who they think will no longer be able to afford to live in the neighborhood. Believing their business cannot withstand the competition, only to face a future with no clientele, the owners find that opening a new business somewhere else is currently the most appealing choice.

Evidence

- Owners are confident that the Purple Line will not be beneficial for their business or clientele, who they estimate are 90% Latino.
  - He makes explicit that when his clientele leave, his business will fold; the laundromat depends on Latino residents to keep its doors open.
  - He feels that loss of Latino residents is inevitable.
- He lived in Washington, DC in the 80s and cites his experience in Mt. Pleasant and Columbia Heights — working as a carpenter — as evidence that transit leads to redevelopment which leads to displacement of Latinos.
  - The real estate prices are already rising in Long Branch, he feels, as a “closet”-sized bedroom demands $600 per month.
- The couple have owned their laundromat for almost 10 years, and they pay $5000 per month in rent and utilities, plus $2000 more for gas and water. They have never missed a payment.
- The property is owned by JBG Smith, a Washington-area REIT that has told the retailer and neighboring tenants that the property will eventually be redeveloped into condos.
- JBG is difficult to reach and does not perform repairs or building maintenance—the couple pays for all upkeep and any changes to their space. They are fulfilling a 10-year lease.
  - Furthermore, the owners says the company withheld $10K at the start of the lease for new windows and other repairs that have yet to be made.
- The husband had already been considering selling the business a few years ago due to his being “old.” His business has diminished since a new laundromat opened across the street, and he and his wife are losing interest in extending their lease after it expires in July 2020.
  - Some people have inquired about purchasing their business, but when they get a look at the operating costs, they change their minds.
- He has not attended a Business League meeting because he works at the laundromat 18 hours per day. His wife has attended three meetings in their 10 years as owners.

    - He does not feel that there is a “solution” to anything that has been identified in this conversation as a “problem.”
    - He expresses interest in opening another business (home renovation) after the laundromat closes; he does not say where he and his wife will attempt to locate a new business.

Relevant Themes

- Fair and affordable housing
- Rising real estate prices and residential displacement
- Landlord/tenant relationships
- Political capital
- Low-income customer base

Long Branch Retailer #2

September 23, 2019

Summary

This interviewee and her husband, a Korean, multilingual couple, are the owners of a neighborhood services business. They purchased their property and opened their business 25 years ago, after working in the same industry in Washington, DC for three years. She welcomes the changes that the Purple Line might bring. While her business has grown monthly, the advent of remote work means that customers have their clothes cleaned less often. She believes that the proximity of Long Branch to Washington, DC, plus the already rising real estate prices, mean that more DC-based workers will move to the neighborhood; that means more business for her company. Where Retailer #1 is concerned about losing clientele of a certain ethnicity, Retailer #2 is eager to gain clientele of a certain class.

Notably, Retailer #2 is not civically engaged through traditional channels — she works 14 hours per day — but several government employees patronize her business. Instead of joining the Business League or attending community meetings, she simply tells the government staff what she needs whenever they seek services at her business. Without this direct channel, she thinks her input and requests would go unheeded.

Evidence

- Business is booming for Retailer #2, and she indicates it has increased every year that she's been in business.
    - They do not advertise. Word of mouth is enough to bring in new business.
    - She's not interested in expanding but admits that they could use more space.
    - Retailer #2 identified her and her husband's expertise and the quality of the work that they do as reasons that their customers keep coming, even after some have moved away.
- Four people came in during our interview, and the owner appeared to know three of them by name (one she had texted). They are racially diverse: two Latinos with whom she speaks Spanish, one white man, and one African (American?) man whom she has a harder time communicating with; we can't tell why, but our guess is a language barrier.
    - The owner says she has customers who come to her from MD, DC, and VA. We have somewhat of a language barrier when working together to learn who her customers are, but she says they're from all over the place and we take that in part to mean racially and ethnically diverse.
- She is excited about the Purple Line and says she knows it will be good for business.
    - The owner also says that real estate prices are going up because people want to live near DC and live near the Metro. She thinks that real estate competition is getting stronger.
    - She has not had any offers to buy her building.
- Retailer #2 has never attended a Business League meeting either, but she knows Paul Grenier and a number of County Council representatives who have their clothes cleaned at her company.
    - She works from 5 am to 7 pm six days per week; she says she doesn't have time for the meetings.
    - Plus, anytime she needs something, she just tells the government workers who patronize her business in person, and they address her problems right away. She

cites a tree that fell on her property and a flood that turned to ice as examples of nuisances that the government workers had cleared at her request.
    - Retailer #2 says if she were to call or go the traditional route to get help, nothing would ever get taken care of.
- She is Korean, and she has a strong command of English and is learning Spanish too.

Relevant Themes

- Political capital
- Strength of services versus goods
- Rising real estate prices
- Correlation between increased access to Long Branch and increased business
- Higher income customer base

Long Branch Retailer #3

September 25, 2019

Summary

Interviewee is a native Spanish speaker who has been living in Long Branch and building their professional advancement for the past 8 years. While they have been a seamstress with advanced skills their entire adult life, they originally developed a reputation in Long Branch as an educator willing to volunteer their time through local organizations, CASA and IMPACT, to teach other immigrant women in the area how to make clothing alterations. This experience led to opportunities to build a profession in Long Branch as a seamstress, first as a cooperative and more recently as the sole owner of an incorporated business. While she operates out of a small cubicle-sized space, they are extremely busy. They feel their business is successful by evidence of the fact that they don't need to advertise and they are at full work capacity between her and the worker they hired. The interviewee is mainly worried about the cost of commercial space increasing any further to the point where they can no longer make a profit doing their work. A similar effect will occur if the cost of their apartment continues to increase. They cannot find a similar arrangement in an area outside of Long Branch and is worried because their customers know them from word of mouth.

Evidence

- Interviewee is worried that the Purple Line will displace their business, home, and/or customer base through the rising costs of space passed on to them.
  - Their jointly-run cooperative dissolved as two of the four members needed to make more money in another job and the third woman got sick and couldn't work
  - The interviewee pays around $850 for a cubicle-sized space within a larger shop. They don't know who owns the building because they interface with the master lease holder. They have a verbal contract based on a "respect and reputation." They believe this has largely been to their benefit, as there are other subleases in the space with official terms that they don't find as favorable. However, they question this arrangement as rent has increased for them in the past few years.
  - The interviewee has looked at other potential spaces but they are too big and expensive for what their business' profit margins can pay for.
  - The interviewee believes that if they were to leave Long Branch in their search for a cheaper, bigger space that they would lose their clientele, who are concentrated in the immediate area and know them from word of mouth.
  - Their clientele is split between two communities: the Latino community and the African community. There are different styles appropriate for working with each of these populations, and while their worker is Latina, they are very good with African clothing alterations.
  - They are seeing the costs of apartment rentals increase, and wonders how long they and their 15-year old daughter can afford to live here in Long Branch.
  - They likewise wonder whether if their clientele can continue to afford living here.
- The Interviewee is an integral part of the commercial and residential community
  - They have been involved with two local organizations for eight years, where they have taught classes pro bono.
  - They have received work space in the past for free because of their reputation as a volunteer educator.

    - Their commercial sublease is backed up their reputation in Long Branch.
    - Their entire clientele comes from word of mouth.

Relevant Themes

- Fair and affordable housing
- Rising real estate prices and residential displacement
- Landlord/tenant relationships
- Political capital
- Low-income customer base

Long Branch Retailer #4

September 25, 2019

Summary

The interviewee is a native Spanish speaker who has been living in an area nearby for more than 20-years. Their shop has existed in the space for 50-years, and they have been the owner of the lease for at least eight-years. They have never met the owner of the building, and only deals with their management company. The interviewee is troubled by two major themes. One is the inconsistent business their shop receives that makes it difficult to pay rent each month. The second is the impending expiration of their lease in 17-months. They don't know if they want to extend it for another ten-years, which is the general terms they've operated under. The interviewee doesn't have strong opinions about the Purple Line. They hope his business can grow in Long Branch, but a combination of factors that seem outside their control has decreased overall foot traffic and they don't know how long they can wait around for things to potentially change for the better.

Evidence

- The interviewee still has the drive to make their business thrive
  - They have experience in their niche line of work for nearly 40 years
  - They operated a shop in Virginia, but was tired of commuting and wanted to stay closer to their family
  - Their children come by after school to spend time with him, since they're normally asleep by the time they close the shop and gets home
  - They are at the shop seven days a week
  - They have four employees
- The interviewee's business is vulnerable to the disposable income of low-income clientele
  - They notice downturns in business when the conditions for immigrant workers worsen
  - The majority of their customers are Latino, followed by, Africans/African-Americans, Asians, and white non-Hispanics, in that order
- The interviewee expects difficulty re-negotiating their lease
  - They already struggles to pay each month's rent based on overhead cost
  - They don't have a relationship with the owner
  - The neighboring businesses have the same owner, and there have been no attempts to understand each other's lease terms to negotiate better deals.
  - The interviewee hesitates at the idea of another ten-year lease

Relevant Themes

- Landlord/tenant relationships
- Low-income customer base
- Political capital

Long Branch Retailer #5

September 30, 2019

Summary

This was a written interview, so responses were more limited than a conversational interview. This owner runs a Latin American cuisine and pastry shop. The family opened a location in Long Branch to “serve the underserved Latin American community in this area.” The owner was concerned about Purple Line development, and felt that the community would need strong protections to remain in business. But overall, the owner portrayed feeling uncertain about the future of his business.

Evidence

- This owner described Long Branch as “a very tight-knit community that has been neglected and underserved for years. Just look at the sidewalks, the Library, and the recreation center.”
- Landlord does the bare minimum in terms of upkeep; work is mostly done on the facade, but not in the inside of the building.
- The owner has never negotiated the terms of his lease before.
- Rent “prices are going up, and they will continue to go up with the Purple Line.”
- The owner and family would like to own their building if they could.
- The biggest challenges for the owner are “ever-growing operating costs.”
- To this owner, the Purple Line “could mean the end for us here. It’s hard to tell what will happen. It means more stress and lots of uncertainty. I think [Long Branch] could end up like the many gentrified areas of the DMV with many displaced in the process. ”
- “I am hoping that we are still here. [10 years from now,] I am hoping we will have expanded.” But we’ll need “protections to keep doing business [with the Purple Line], along with some technical support here and there.”
- This owner is a member of the Business League, and he finds his membership beneficial. He often goes to the Business League or Latino Economic Development Center for business advice.
- “I have already seen a few businesses go under. It’s getting harder and harder to be a business owner here.”

Relevant Themes

- Uncertainty with Purple Line
- Displacement
- Rising operating costs and rents

Long Branch Retailer #6

October 24, 2019

Summary

The family owns their business. The interviewee is currently running the business as the manager. The business has been running in the Long Branch location for 30 years. The interviewee is a new member of the Business League (their cousin encouraged them to join). The interviewee is positive about the possibility of new business clientele as a result of the Purple Line. The business has plans to do outdoor renovations and expansion. The interviewee thinks one of the most important things for their family to understand (due to Purple Line development) is the parameters of the lease with the property owner.

Evidence

- Long Branch *"is really divided".* The Long Branch Festival showed this.
    - The neighborhood has not changed that much in the last 30 years. "They all stuck together in their cliques and stays together".
- The interviewee says there are no major issues with the property owner relationship.
    - However, the interviewee mentions that the property owner was upset learning that improvements were needed on the front concrete to make it ADA accessible.
- The family has requested information about owning the property, but the owners are not interested in selling.
- The interviewee says that the biggest challenge in the business is rising operation costs.
    - "How and when to up your own prices. You have this clientele that is used to something. Even if it's 25 cents."
- "You have to grow, you have to learn." "I don't fear it."
    - "The hope is to keep growing, and to stay here." "In five years, I hope to have my taco stand outside, and my patio."
- The interviewee says a challenge to renovation and improvements is going through the permitting process.
    - It takes up too much of the interviewee's time to be working on the documents. They also say that the complicated zoning regulations are difficult to navigate, along with parking restrictions for the property.
    - LEDC paired the business owner with an architect to do the design for the renovation.
- The interviewee says their parent has the lease, but they have not seen it. The interviewee wants to get an idea of the responsibilities of the property owner. For example, safety concerns due to physical conditions of the exterior of the property.
- The interviewee's family are leaders in the community. They are trusted, and the interviewee believes that fact has kept the success of the business going.

Relevant Themes

- Permit difficulties
- Family business continuation
- Rising prices for small businesses
- Legal rights and landlord/tenant relationships
- Facade improvements and expansion

7.2 Interviews with Stakeholders

Judy Stephenson, Montgomery County Small Business Navigator

October 10, 2019

Summary

Montgomery County's Small Business Navigator program assists businesses with technical needs — such as permitting and licensing — and provides resources to empower businesses to negotiate favorable leases, survive construction-related disruption, and strengthen their marketing and appeal. As ninety-five percent of businesses in Montgomery County have 50 or fewer employees, the majority of in the County enterprises are eligible for support from the SBN. Judy Stephenson views disruption from Purple Line construction as one of the greatest immediate threats to the persistence of small businesses in Long Branch. She is very interested in innovative ideas and processes that can secure and bolster small business presence before construction starts and before properties are redeveloped. Specifically, Judy believes that "commercial rent control" and "community benefits agreements" will not appeal to decision-makers, but she thinks that new processes could achieve similar objectives, particularly if modeled after County policies that are already in place. She was especially interested in the ideas of commercial impact fees and commercial inclusionary zoning, and agrees that Montgomery County could be a model for the rest of the nation if they find new ways to ensure that small, independent businesses can remain and thrive amid revitalization.

Evidence

- Anticipation of the Purple Line is already affecting real estate and leases in Long Branch. Rents are increasing, and fewer landlords will commit to long-term leases.
    - "It's going to be a huge shift. Property owners are expecting to sell to developers."
- Montgomery County understands the threat of gentrification and displacement of small businesses, but the atmosphere does not generally support rent control at any level.
    - Rent control is viewed as the regulatory world inserting itself into market-based affairs of private business. Judy acknowledges that the "power structure is unfair," because small businesses suffer.
    - Yet, the residential MPDU policy is well understood and accepted among County officials and developers.
    - Judy suggests that a complementary policy targeted toward preserving below-market-rate commercial spaces may work, since it would be modeled after an accepted concept.
    - Judy affirms that, "We have to make the value proposition from the start." So much more acceptable to establish a process that supports small businesses from the outset.
- There has not been much support for Community Benefits Agreements either. Developers have been very opposed to it, and Judy does not know whether such an agreement has succeeded even once.
    - However, developers are accustomed to paying impact fees to support adequate public facilities and infrastructure upgrades that will be needed as populations increased in neighborhoods.

    - It's possible that a commercial impact fee might work! Funds could be used to subsidize existing commercial or help businesses afford interior and facade improvements.
    - The Purple Line represents an extraordinary circumstance, and the County needs to treat it in a different way: one justification for instituting a new redevelopment process.
- In addition, Judy understands that the "whole atmosphere of disruption" from the Purple Line will be a major challenge to current businesses.
    - Construction traffic will compete for parking and disrupt access to businesses.
    - Regular shoppers may be deterred from businesses by fencing and noise.
- Purple Line will facilitate more direct competition with other retail centers. Judy says this is an opportunity. These businesses will get visibility. They'll be accessible.
    - Make storefronts attractive as a way to advertise to the people who are riding right past the businesses.
- Commercial-area marketing and placemaking is going to be really critical.
    - The Small Business Navigator is putting together marketing tool kit to strengthen knowledge in this area.
    - Businesses can collaborate with one another; pool resources to support commercial area marketing and improvements.
    - Similar to "lending circles" or Business Improvement Districts. Communal pot to improve and promote commercial area as a whole.
    - Small businesses will participate in organizing efforts if they understand the value. Educating them on the value and potential of organizing is essential.
- Purple Line had a Small Business Mitigation Strategy, but it didn't get funded.
- Big Business has yet to be at the table. The banks haven't been there either.
- Kaiser Foundation is somewhat active in area, but hasn't "been at the table" either. There is a perception that Montgomery County is too rich to need help.
- Food and restaurants typically not part of conversation surrounding redevelopment because they're not driving high sales, but they're part of a lifestyle that Big Business should want.
    - Lots of food/restaurants and business diversity should be a way to attract big business who want this kind of diversity around them because that's what their employees and millennial residents want.

Themes

- Inclusionary commercial zoning
- Commercial impact fees
- Disruption from construction
- Disruption from anticipation of investment and redevelopment
- Landlord/tenant relationships
- Political capital

Paul Grenier, Economic and Cultural Development Specialist, Montgomery Housing Partnership

September 6, 2019

Summary

Paul works for the Montgomery Housing Partnership, and he has worked with the Long Branch Business League for 8 years. He is also involved with the PLCC. Paul gave some important historical insights into the Long Branch community, key players, and some ideas for exploring what is happening with urban development today.

Evidence

- Paul explained that it's difficult to form an idea that there is a center to the Long Branch community. He discussed Main Street designation in the State of Maryland, but made the point that this area is not a city, it's a county.
- Paul gave some insights into Montgomery Housing Partnership. Right now, there are 35 employees, and they manage 3000 units of housing. MHP has acquired 30 buildings in DC. They own 2 units on Flower Avenue, and in Greenwood they own whole block. They also have property on Maple Avenue in Takoma Park.
- Paul's estimates that rents in Bethesda are $60-80 square foot, and in Long Branch they are $20-25 square foot.
- There are a variety of Challenges for Long Branch
    - Poverty
    - Alcohol
    - Rough facades
    - MS13 active (around 2-3 murders). The past 3 years have gotten worse. Police meet immigrant community halfway.
- Paul briefly discussed the history of *Long Branch Sector Plan* development. There were three versions. Rollin Stanley worked on the 2nd version, and he didn't like standard suburban plan. Other people did not agree, so they reduced to a more basic plan and removed Stanley from the work. Mark Elrich worked on the 3rd version and down-zoned residential areas to reduce density and prevent destruction of market rate affordable housing. Elrich still feels these businesses are at risk for gentrification and is frustrated that County hasn't done more. Questions of how to protect business/property owners rights are still unanswered.
- Long Branch Festival, Placemaking, and Community Building
    - "Cities are crumbling as social areas."
    - Paul discussed the development of the week-long Long Branch Festival. Originally, the Business League wanted a longer event. The idea was for it to be an effort in placemaking-to be left up for a month-but was shortened to a week.
    - They did a public square for a day last year, and people loved it. People said they should do this all the time. This public square was in an "ugly" corner of the parking lot behind Giant. Organizers for the Long Branch Festival this year could not secure long-term public space on parks or private property; the property owners said no.
- Property Owner Information and Developers Buying Property
    - "Nothing is really stable here. Everything is owned by private property owners who have the ability to give zero notice and tear down." - Paul

- Lots of buildings are single owner.
- Paul wonders whether people will use the Purple Line in the numbers they predict and how long property owners will hold land and not invest—i.e. holding out for the market. “[It] may be another 5 years before the property owners decide to redevelop.”

- Paul expressed that parking has been an issue, and it may get worse with construction.

Themes

- Placemaking
- Safety and crime
- Many conflicting viewpoints
- Property owners and land value
- Parking

Paul Grenier, Economic and Cultural Development Specialist, Montgomery Housing Partnership

October 25, 2019

Summary

This was a follow-up phone call with Paul that discussed the outcomes of the Long Branch Festival, placemaking and suitable public spaces in Long Branch, incorporating social benefits of small businesses into formal policies, and County assistance that would be useful to MHP.

Evidence

- Long Branch Festival
    - He said, overall, it went well, and local residents came out all week to participate.
    - He's not sure if businesses saw a whole lot more business, but people consistently came out all week to the neighborhood.
    - The focus was really on activating Flower Avenue, and they definitely accomplished that. It was partly an exercise in helping people imagine what the space could look like. Ideally, Paul imagines a public square area in the parking lot next to El Golfo.
    - Paul forwarded Long Branch Newsletter for this month.
- Places in Long Branch
    - Paul said that there is a public square in front of the Library, but it is currently not well used. But he mentioned that if you work to active a space, put something there to draw people-people will come to see it. He has seen this with the multiple efforts they have done with the festival and the effort in a corner of a parking lot on that block.
    - Paul recognized that Long Branch needs a center to help form an identity. Right now, he thinks Flower Ave is a natural location for that center.
- Defining a Successful Business
    - Paul discussed Rainbow Laundry, its benefits for the community, and the owner's challenge to stay open in the past year.
    - He sent a copy of the Long Branch Newsletter from July which outlines the story of that business.
    - Paul discussed the challenge of formally recognizing these non-economic benefits for local communities.
- Assistance from the County for Montgomery Housing Partnership
    - Paul mentioned that it would be helpful if the County could provide financial assistance for organizations like MHP to conduct market analysis on properties they would like to buy. Then they can make an offer to a property owner that would include potential returns in a future, potential market.
    - Organizations like MHP would also need assistance to purchase those assessed properties.

Relevant Themes

- Placemaking and public space
- Redefining a successful business
- County assistance for property ownership

John Angel, Long Branch Business League

La Casita: 8214 Piney Branch Rd, Silver Spring, MD 20910

Summary

Angel grew up in Montgomery County and currently lives in Long Branch as a business owner and community leader. He is active in the Business League, and says most of the league's activity has been in the last five years. He recognizes the collaborative strength of the Business League, and tries to push for more participation among the business owners. Angel thinks that developers should somehow be accountable to the Business League as Purple Line development arrives.

Evidence

- Ana Rivera (manager at El Galivan) and John Angel are cousins. Their fathers opened and ran El Galivan. Before that, they had a Latino grocery store on Columbia Rd., NW D.C.
- The family also runs La Casita (Takoma Park border), El Paso Cafe in Arlington, and La Casita location in Nationals Park.
- Angel has had many different business ventures, and a lot of experience in music and event coordination. Yet, he says he always returns to Long Branch to work in the family businesses. *"The community healed me."*
- After the 2016 apartment fire in Long Branch, Angel started a charitable 5k run in the community.
- Angel organizes many of the community events - like the Long Branch Festival. He mentions "the invisible line"- saying higher-income and lower-income residents do not have many shared experiences, which may make it difficult to interact and connect.
- "*El Golfo was our competition".* But, Angel says the whole business community has to have a collaborative mindset. As a music promoter, he makes sure not to generate direct competition. *"You need someone to unite all the businesses".*
- Angel discusses how many business owners are not yet seeing rent escalations from property owners, even though real estate values have seen speculative price hikes.
- Angel has great capacity to organize the Long Branch community. He is a conduit between residents and business owners. He has great personal commitment to making events that brings all sides of the community together.
- He thinks there should be a non-profit that does full-time work and communicates with the Business League. He says Montgomery Housing Partnership does some of this role.

Relevant Themes

- Family business continuation
- "Invisible line"
- Rising real estate prices
- Landlord/tenant relationships

Nohely Alvarez, Northern Gateway

https://www.northerngatewaycdc.org/

Summary

Northern Gateway is a CDC, which is led by five board members. Nohely is the only staff member. It is a revamped non-profit (formerly Maryland International Corridor CDC). The Northern Gateway borders are expanded so that it includes more than the International Corridor: Lewisdale, Avondale, Adelphi, Chillum, which are all CDPs (census designated places).

Evidence

- Part of Alvarez's independent research is to understand why the International Corridor was created in the 90s.
- PG County set aside some money for different districts that fall within Purple Line development.
- Northern Gateway previously facilitated small business grants, but right now they're not working on that specifically because they want to formalize the intake process.
- Northern Gateway has applied for a few different grants and awaiting notification:
    - Census Outreach Grant
    - PG grant for murals
    - PG Planning Study - placemaking and safety improvements on University Blvd. after the Purple Line
- Langley Park business owners have approached Northern Gateway asking about where to go with property owner complaints.
    - These business owners are neglecting property maintenance and improvements.
- Alvarez recommended business owners point their complaints to the Multi Service Center, which is a PG County initiative where residents can seek services. Langley Park business owners worried about parking around new Metro stations
- Alvarez says community awareness of the Purple Line is low. She believes that many business owners do not know the timeline of construction and the projected changes coming to the area.
- In Langley Park, many of the property owners in the shopping centers live out of the country and the ownership is very consolidated.
- Alvarez has studied TOD-induced gentrification as a part of her doctoral research.
    - "Mixed use" and "mixed income" have relative definitions of affordability.
- Alvarez discusses whether chains like Starbucks are a marker of gentrification.

Relevant Themes

- Globalization of property ownership
- Housing affordability definition
- Gentrification as a result of TODs
- Resident and business owner awareness of the Purple Line
- Landlord/tenant relationships

Senior Specialist, CASA de Maryland

8615 Piney Branch Rd, Silver Spring MD 20901

Summary

The interviewee describes CASA's work as an important lobbying organization and also a direct services organization in Long Branch and the greater region. The interviewee wants to know what policy solutions will work best (via the research partners at the Purple Line Corridor Coalition) so that CASA can move these policies forward in both Montgomery and Prince George's Counties.

Evidence

- CASA's policy focus is on keeping small businesses in place as rents likely begin to increase, and as Purple Line construction cause business disruptions.
- From a policy standpoint, CASA groups together Langley Park and Long Branch as two areas both within the International Corridor.
- CASA is a partner within the Purple Line Corridor Coalition (PLCC) Small Business Working Group.
    - The interviewee says that he is counting on the other partners in the working group to work together and discuss possible policy solutions that have been successful in other places to combat business displacement.
- The interviewee says there are a variety of bills in-process both in D.C. and Montgomery County that CASA's elected official partners have put forth.
    - The focus of many of these pieces of legislation is to get money directly into the hands of small businesses.
- The interviewee says that one of the key factors along the International Corridor will be getting Montgomery and Prince George's Counties to work in tandem creating best-fit solutions that are jointly applicable in both counties.
- CASA is best at engaging the immigrant communities, the interviewee says. CASA relies on its partners to provide input on the types of policies to move forward.
- "We are 'grass tops' experts."

Relevant Themes

- Marketing of small business
- Construction disruption
- Role of CDFIs
- Healthy businesses

7.3 Interviews with Experts

Martha Potere, Detroit Economic Growth Corporation (DEGC)

http://www.degc.org/

Summary

Martha Potere is a Senior Strategy Small Business Director at DEGC. In Detroit, all city economic development work goes through DEGC - there is no city department for economic development.

Evidence

- DEGC has a branch that focuses on small business retention.
- One of Mayor Mike Duggan's directives was to institute District Business Liaisons: a business point of contact for residents who can help facilitate permitting and infrastructure issues. These individuals have to know about all city resources.
- DEGC is conducting a type of SWOT analysis for businesses in Detroit, or, a "health check"
  - The surveys include 20 basic questions about how the business is doing, and its current needs.
- DEGC has done a lot of research on commercial displacement and anti-displacement practices
  - There are many different solution routes based on 1) ownership of the property, 2) the longevity of the small business, etc.
- One of the questions Potere thinks about: What can we do to encourage equitable development and portfolio management?
  - For example, are owners passing on their savings (abatements) to tenants?
- DEGC encourages non-profit development, like Community Development Financial Institutions (CDFIs).
  - CDFIs are less likely to raise rents on tenants
- Potere thinks that there is a disconnect concerning the public view of small businesses - that they do not produce as much economic vitality as larger businesses. However, in aggregate, Potere says small businesses are supplying many more low-skilled jobs for those that need them.
- More emphasis is needed on finding resources for businesses during construction disruptions.

Relevant Themes

- Marketing of small business
- Construction disruption
- Role of CDFIs
- Healthy businesses

Van Hardy, Member and Organizer, Union United

Somerville, MA
October 10, 2019

Summary

Van Hardy has been a member and organizer for a coalition in Somerville, MA, advocating for an extensive CBA with the master developer of a transit-oriented development around a new MBTA Green Line station in the Union Square neighborhood of Somerville. The interview was conducted to learn about the coalition-building and advocacy process aimed at preventing displacement in Union Square and directing the advantages of the forthcoming development to the existing Union Square community. Union United's Community Benefits Agreement has been negotiated and completed as of September 2019. Van emphasized the importance of consensus building among the community, thorough preparation for all public meetings and negotiations, and a strong interdisciplinary coalition with stamina to weather the intense process of community organizing and inclusive practices in place.

Evidence

- Van has been involved in Union United since the development around the new MBTA Green Line Union Square stop was proposed in 2014, and the community wanted to prevent displacement.
- The Community Benefits Agreement model was chosen early on, after the community completed a visioning process that answered the questions: in the transit-oriented new development, what does the community want to see? What does the community want its neighborhood to look like?
- Like Long Branch, Union Square is a diverse neighborhood with a strong immigrant presence, active retail, and both single family and multifamily residential.
- Somerville does not have a Community Benefits Ordinance. Rather, when the development was proposed, volunteers from the Union Square community decided to propose a Community Benefits Agreement with the selected master developer, US2.
- Van was emphatic that the privately negotiated Community Benefits Agreement was more useful to the Union Square community than one triggered by a Community Benefits Ordinance, because a privately negotiated CBA is not subject to Nollan-Dolan restrictions in US law. This means that the CBA can include any conditions the community desires, even those that would not be constitutionally defensible for the municipality to enter into according to the Nollan and Dolan cases.
    - These cases ruled that there must be a nexus between the public-policy issue at hand and the condition of public agency approval proposed to address the issue, and that a government agency may not require someone to create conditions for approval that are unrelated to the proposed impact of the project.
- Van suggested that Opportunity Zones present a unique chance for the County to create policies that protect communities like Long Branch.
- Early in the CBA process, Somerville's Mayor Joseph A. Curtatone signed a covenant with the master developer US2 to cap the amount of the CBA at $3.9 million, which prompted Union United to negotiate a private CBA between the community, represented by the Union Square Neighborhood Council, and US2.
    - With the $3.9 million, the developer agreed to 20% affordable units, and $2 million in workforce training funds.
- According to Van, Union United's main appeal to the developer was that community support for the development would ease the permitting process with the City. If the

developer would not engage or agree to negotiate on the private CBA, the community and the Union United Coalition would demonstrate, argue against the development publicly, and create obstacles for US2 throughout the permitting process.

- To build the Union United coalition, outreach was done to all segments of the Union Square community: residents, retailers, labor unions, churches, and local nonprofits. Important ongoing outreach tasks included:
    - Building consensus on a vision
    - Constantly educating the public on CBAs and the negotiation process
    - Convincing groups and individuals that a CBA was a unique opportunity for the community to benefit from and influence the development process.
- As a diverse community, Union United's organizers made an effort to provide translation services, child care and food at meetings, and to meet individual comfort levels. Some community members were not comfortable speaking at public meetings, or were shouted down by more vocal participants. Union United then made efforts to meet with and listen to the less-heard voices in one-on-one meetings. Van underscored that an effective coalition required strong relationships and trust among members, across lines of difference.
- Union United was able to secure pro bono law and consulting services to support their case with nexus and impact studies, legal expertise and negotiating strategy.

Relevant Themes

- Civic organizing
- Placemaking
- Business coordination
- Inclusion of diverse voices