

Testimony by Steven McKay (3810 Shakespeare Way, Monrovia, MD) against the proposed TIF & CDA financing for the Linganore development

\$77,000,000

That's the amount of future property tax revenue that the County is giving to the developer to complete a project that – in the past – would have been the developer's responsibility. Certainly, the Meadow Rd interchange will provide some general benefits to this part of the County but it clearly would not happen if Linganore was not being built out. It is also clear that the primary beneficiaries of the exchange are the Linganore residents. And you know, I really don't begrudge the residents of Lake Linganore for wanting these things – I would too! However, for the reasons that I'm stating, I believe it should be the developer's responsibility – not the entire County's responsibility, as you are making it.

\$77,000,000

You could build 2 new elementary schools and renovate or expand a third with that money. We certainly need the school capacity. Your own staff told the Board of Education that we'll need 4 new elementary schools due to the growth in this part of the County. Looking at all of the developments that you have on your calendar through the remainder of your term, I wouldn't be surprised if we'll really need five.

\$77,000,000

That will be lost property tax revenue that should be going to the General Fund. From there, that money would pay to operate schools, supply essential services like fire, police, and ambulance. It would pay for road maintenance and a host of other services that the County provides to all of the County residents – not just those in Lake Linganore. As a result, all other things being equal, our taxes will either go up or our services will go down.

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That is the cost for this County to help finance this developer's required infrastructure. I believe that there is a tangible value to the County's name and creditworthiness and you are giving it away to the developer. If this is indeed a commercially-viable project, then why is the County serving in the capacity of lender of last resort? Why isn't the developer going to the commercial lending market on their own merits, for the capital needed to finance this project? If this was truly a commercially-viable project then it wouldn't require this level of government subsidy. You purport to be advocates of free market capitalism, and yet there you sit, picking winners in much the same way Washington DC has been doing lately. Here is your shovel-ready project. We'll all just have to hope that it isn't your Solyndra.

\$77,000,000

That's what every tax paying resident of Frederick County will pay for the Meadow Road interchange project. But this is the real kicker because here is the ironic part. You group of businessmen. You trumpet the fact that you take risks and employ others. You deride others who don't own their own businesses. You've declared Frederick County open for business. You bunch of business-savvy guys ... you're paying \$77,000,000 of my tax dollars for a \$25,000,000 project. Nice going!