

Climate Change We Can All Get Behind

Climate change is coming to Montgomery County. Business climate change, that is. This is excellent news for our community and a promising sign for our economic future.

Last year, with the creation of the Montgomery County Economic Development Corporation (MCEDC), our county government formally acknowledged our economic development problem. This was an important first step in not only reversing downward economic trends, but also restoring Montgomery County's reputation as a premier destination for businesses and the talented people they seek.

This past August, the MCEDC's board of directors named David Petr as the organization's first president and CEO. Previously, Mr. Petr served as president and CEO of the Central

Florida Development Council, where he oversaw unprecedented job creation and capital investment in the region. The MCEDC board is counting on him to achieve similar success here. I hope he does, and I believe he can.

In Mr. Petr's view, Montgomery County's number one problem is the stubborn perception that it's not business friendly. Truthfully, he's right. And in this case, perception is reality. Over the years, the county council has

enacted laws and regulations that make the county unfriendly to business. Paid vacation, sick leave and the county council's push to increase the minimum wage – these and other mandates are well intentioned but make it difficult for companies to prosper. And there aren't enough business incentives to give employers a reason to stay.

What's Really Driving Our Downward Trends?

Montgomery County used to be one of the wealthiest counties in the nation, and certainly in the D.C. area. But things have changed in recent years. In 2013, Montgomery County's GDP per capita (in 2005 real dollars) was \$61,997 – compared with \$66,240 in Howard County and \$108,649 in Arlington County.

Concurrent with this GDP decline has been a widening of the gap between rich and poor, thanks to laws intended to do just the opposite. While 18 percent of Montgomery County residential households have incomes greater than \$250,000, 35 percent of Montgomery County students receive free or subsidized lunches.

Our population growth is weaker than that of neighboring counties as well. From 2010 to 2015, Montgomery County saw 7 percent population growth, versus 9.2 percent for Howard County and 10.3 percent for Arlington County. Based on my experience, our costly income, property, and estate tax structures are at least partly to blame.



Clark Kendall, founder of Kendall Capital Management in Rockville, Maryland, has over 30 years of experience in investment management and wealth management. He provides independent financial direction to middle class millionaires in greater Washington, D.C.
www.kendallcapital.com

I'll give you a prime example of a well-intentioned law that actually drove residents away, shrank government revenues and hurt the people it was intended to help. When Maryland lawmakers decoupled the state's estate tax rate from the federal government rate, retirees were hit with a 10 percent Maryland estate tax in addition to the federal estate tax. As you might expect, wealthier citizens began moving out of state to protect their assets. I wrote extensively about the ill effects of this law and testified before legislative committees to try to get it overturned. Fortunately, the legislature came to its senses in 2014 and recoupled state and federal estate tax rates.

So what's the bottom line here?

To have a healthy community, you need a healthy business community.

Only a robust private sector, free from regulatory overreach, can produce rising incomes, stronger business and economic growth, expanding opportunities, and a better quality of life.


Let's Unleash Our Full Economic Potential

Our collective future depends not on mandating economic equality, but on strengthening economic investment and growth. The only way to accomplish this is to incentivize it.

We must reward business owners who base their operations here. As more businesses move in, more of the brightest, most talented individuals in the nation and around the world will follow. Montgomery County will again become one of the best counties in the U.S. in which to live and work.

We must also remind employers of the

tremendous human capital we already have here, which they can tap into immediately. Montgomery County is home to four of the nation's five most diverse cities, and residents of all races, religions, and ethnicities are determined to help strengthen our communities and our economy. And they have the richness of experience, skills, talent, and vision to do so.

Imagine a revitalized business base growing and thriving at an accelerated pace – bringing better jobs, higher incomes, increasing revenues, and unparalleled opportunity to Montgomery County. And with it all, a fast-growing pool of world-class talent planting roots in our community and making it stronger. This new era of prosperity is well within our reach, and the MCEDC gives me hope we'll get there. 

A TRUSTED NAME SINCE 1945

LONG WINDOWS[®]

Improve your home. Improve your life.

only \$99 PER MONTH

Promo Code: COUNTY

Beautify Your Home & Save on Energy Bills!

- Lifetime Warranty and Lowest Price Guarantee
- Extremely Energy-Efficient with Exclusive, Patented Heat Mirror Technology
- Enhanced Security, Reduced Outside Noise and Outstanding UV Protection
- Many Options! Double Hung, Picture, Bay & More! White and Wood Grain!



FREE Estimates! Financing Available!



888-224-4142

LongFenceandHome.com

WINDOWS ■ ROOFING ■ SIDING ■ DOORS

Licensed, Bonded, Insured. MHIC 51346, VA 2705048183A, DC 67006785

Expires 2/1/17. Valid initial visit only. Minimum purchase required. Cannot be combined with other offers. 7.99% APR for 144 months, \$11.10 per \$1000 with 0% down, on approved credit thru GreenSky.