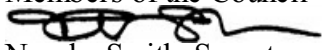


COUNCIL OF THE DISTRICT OF COLUMBIA
1350 Pennsylvania Avenue, N.W.
Washington D.C. 20004

Memorandum

To : Members of the Council

From : Nyasha Smith, Secretary to the Council
Date : Friday, May 28, 2021
Subject : Referral of Proposed Legislation

Notice is given that the attached proposed legislation was introduced in the Office of the Secretary on Thursday, May 27, 2021. Copies are available in Room 10, the Legislative Services Division.

TITLE: "Fiscal Year 2021 Revised Local Budget Emergency Declaration Resolution of 2021", PR24-0270

INTRODUCED BY: Chairman Mendelson, at the request of Mayor

Retained by the Council with comments from the Committee on Committee of the Whole.

Attachment
cc: General Counsel
Budget Director
Legislative Services



MURIEL BOWSER
MAYOR

May 27, 2021

The Honorable Phil Mendelson, Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, NW
Washington, DC 20004

Dear Chairman Mendelson:

On behalf of the residents of the District of Columbia, I am pleased to submit to you the proposed District of Columbia Fiscal Year 2022 Proposed Budget and Financial Plan, *A Fair Shot*. Included in this submission, you will find the "Fiscal Year 2022 Local Budget Act of 2021," the "Fiscal Year 2022 Federal Portion Budget Request Act of 2021," the "Fiscal Year 2022 Budget Support Act of 2021," the "Fiscal Year 2021 Revised Local Budget Emergency Act of 2021," the "Fiscal Year 2021 Revised Local Budget Temporary Act of 2021," and the "Fiscal Year 2021 Revised Local Budget Emergency Declaration Resolution of 2021." In addition, I am submitting the following accompanying emergency measures for consideration: the "Fiscal Year 2022 Local Budget Emergency Act of 2021," the "Fiscal Year 2022 Local Budget Temporary Act of 2021," the "Fiscal Year 2022 Local Budget Emergency Declaration Resolution of 2021," the "Fiscal Year 2021 Revised Federal Stimulus Local Budget Emergency Act of 2021," the "Fiscal Year 2021 Revised Federal Stimulus Local Budget Temporary Act of 2021," the "Fiscal Year 2021 Revised Federal Stimulus Local Budget Emergency Declaration Resolution of 2021," the "Fiscal Year 2021 Revised Local Budget Advance School Payment Emergency Amendment Act of 2021," the "Fiscal Year 2021 Revised Local Budget Advance School Payment Temporary Amendment Act of 2021," and the "Fiscal Year 2021 Revised Local Budget Advance School Payment Emergency Declaration Resolution of 2021."

The Fiscal Year 2022 budget marks the turning of a corner on a global public health crisis that has killed millions of people worldwide and led to a swift and deep global recession. The Fair Shot Budget makes significant investments to provide relief, recovery, and growth for residents and businesses across all eight wards. In this budget, we focus on what we know to be the pillars of an equitable recovery: access to safe and affordable housing, high-quality job training, healthy neighborhoods, academic acceleration, increased access to quality child care, programs to reduce gun violence, safe and accessible transportation options, and supports for businesses and residents hit hardest by the economic crisis over the past year.

During last year's budget cycle, we were very focused on providing our community a sense of hope. At the time, there was a significant amount of uncertainty, both in terms of the virus as well as our community's financial future. With so much uncertainty, we controlled what we could and made big investments in our DC Values and in keeping our community safe and healthy. Today, we have more hope. Everyone 12 and older is now eligible for the vaccine; more than 50% of all DC residents are at least partially vaccinated; and through the American Rescue Plan, DC received the CARES Act funding we were shortchanged along with access to hundreds of millions of dollars in federal relief funds.

The Fair Shot Budget continues investing in DC HOPE – in health care and housing, opportunity, prosperity, and equity. This budget also recognizes how the landscape has shifted over the past year and seizes on this once-in-a-lifetime opportunity to put our city on a trajectory toward a more equitable future. And this starts with recognizing that a strong recovery begins with ensuring everyone in our community has access to safe, stable, and affordable housing. To that end, I am investing a record-setting \$400 million in the Housing Production Trust Fund (HPTF), bringing our total investment in the HPTF since 2015 to more than \$1 billion. Furthermore, we paired this historic investment with Local Rent Supplement Program (LRSP) voucher funding to better target funds to deeply affordable units at or below 30% of the median family income.

We will also continue investing in the programs and supports that set families up for success. This means increased support for residents who do not qualify for unemployment insurance, families who face steep public benefit cliffs as their income climbs, and those who are returning citizens. We are investing \$68 million to increase access to high-quality affordable childcare and provide incentives and scholarships for early childhood education teachers. And after an extremely difficult school year, we are investing \$13 million for an evidence-based approach to learning acceleration—high impact tutoring—which will provide quality supports and infrastructure for our DC Public Schools and DC public charter schools.

This budget also recognizes that our response to the pandemic is not yet over. To ensure our response remains strong and matches the ongoing needs of our community, we are investing \$75 million to continue the District's response to the COVID-19 pandemic through testing, vaccination, isolation and quarantine sites, cleaning, PPE purchases, and other critical programs and services that helped see the District through the pandemic.

Below are additional examples of important investments in the proposed FY 2022 Budget and Financial Plan that will allow us to recover and grow stronger together.

Health and Human Services

The FY 2022 budget supports the health and well-being of District residents, and helps provide a pathway to the middle class, through the following investments:

- \$15 million to support small businesses and residents whose health insurance premiums are in arrears because of job losses and business slowdowns caused by the COVID-19 pandemic;
- \$12 million to launch a new pilot, Career Map, which will support the desire and ability of parents to pursue a career by ensuring that participating households' costs do not exceed income, even as important benefits phase out with income growth. This initiative will promote equity and meaningful access to the middle class;
- \$8.4 million to continue our support for the five Centers of Excellence at Howard University Hospital, which will strengthen the hospital and improve the health outcomes of Washingtonians;
- \$8.5 million to support affordable food access through increased senior meal delivery, assistance to the Capital Area Food Bank, Produce Rx, and the Nourish DC fund;
- \$23 million for new families that need support during the pandemic through the Temporary Assistance for Needy Families (TANF) program and another \$14 million to support TANF families with cash assistance payments to smooth out the benefit cliff, establish a TANF diversion program, and provide small one-time payments to families dealing with the impacts of the pandemic;
- \$18 million to advance health equity, including the creation of a new sobering center, the expansion of telehealth services for Department of Behavioral Health and Department of Disability Services clients, and doula services for women enrolled in Medicaid;
- \$13 million to increase the local budget of the Department of Behavioral Health to provide increased supports and services to residents experiencing mental health crisis or substance abuse

issues;

- \$3 million for neighborhood-based Senior Socialization Hubs and expansion of Senior Villages;
- \$1 million to expand transportation access for seniors through ConnectorCard; and
- \$500,000 to launch a coordinated citywide virtual wellness model that will expand satellite virtual wellness programs to cover all citywide virtual programming needs for seniors.

Affordable Housing

Producing, preserving, and protecting affordable housing remains a top priority. The FY 2022 budget makes the following investments in affordable housing:

- A historic contribution of \$400 million to the Housing Production Trust Fund and \$42 million of investment in project-sponsor based vouchers to make housing deeply affordable to low-income residents;
- \$352 million in rent and utility assistance to prevent evictions through the DC STAY program;
- \$35 million in Homeward DC to make homelessness rare, brief, and non-recurring, including 758 new permanent supportive housing units for singles, 347 new permanent supportive housing units for families, and expansion of Project Reconnect, shallow subsidies, and rapid re-housing for singles;
- \$17 million for the Housing Preservation Fund, including \$5 million to support limited equity cooperatives to purchase their buildings. This investment is matched 3:1 by the private sector for a total investment of \$68 million in housing preservation;
- \$67 million to acquire additional emergency and transitional shelter for victims of domestic violence and expand domestic violence services, and to acquire properties to convert to deeply affordable and/or permanent supportive housing;
- \$2 million to the Douglass Community Land Trust to acquire affordable commercial and residential properties;
- \$113 million in capital funding to rehabilitate and modernize public housing units;
- \$102 million to expand and renovate the District's permanent and temporary supportive housing and shelter services;
- \$23.5 million to help low-income first-time homebuyers with down payment and closing cost assistance;
- \$1.2 million to expand emergency shelter service for LGBTQ+ residents who are victims of domestic violence and create low-barrier shelter access for transgender residents;
- \$335,000 for the Office of the Tenant Advocate to help tenants navigate housing issues after the eviction moratorium is lifted;
- \$1.035 million to complete future small area plans across the District;
- \$5 million to restore vibrancy to previously disused properties in neighborhoods most affected by violence; and
- \$1.5 million for a pilot program to incentivize the construction of accessory dwelling units on properties owned by low- and moderate-income homeowners.

High-Quality Education

Our community continues to recognize the important role public schools play in creating opportunity and helping us build a more equitable city. During the pandemic, many students experienced learning loss, which can have long-term consequences for their future. We know that investments in our public schools were the driving force behind the renaissance of our city, and our steadfast commitment to our students, families, and educators remains strong. In this Fair Shot Budget, we continue to make education a top priority, and introduce several new programs to advance learning acceleration, through a range of investments, including:

- 3.6 percent increase to the base amount of the Uniform Per Student Funding Formula and increased weights for English language learners and at-risk students;
- \$8 million to reimagine high schools and create work-based learning opportunities;
- \$8 million to expand school-based mental health services to all remaining DC Public Schools and DC public charter schools;
- \$10 million to provide additional facility grants to the DC public charter schools to help them re-open fully for in-person learning in school year 2021–2022;
- \$13 million for an evidence-based approach to learning acceleration, high impact tutoring, which will provide quality supports and infrastructure for our DC Public Schools and DC public charter schools;
- \$12.8 million to provide more students access to affordable bachelor and associate degrees;
- \$5.6 million to provide increased access to summer programming with academic enrichment;
- \$68 million to increase access to high-quality affordable childcare and provide incentives and scholarships for early childhood education teachers;
- More than \$1.57 billion over six years for DC Public Schools to fund school modernizations, small capital projects, and school expansions to address overcrowding and to support the acceleration of modernizations of the Truesdell and Whittier Education Campuses;
- \$420 million over six years for the District’s parks, recreation, and library projects, including the addition of four new library renovations or replacements, at Shepherd Park, Deanwood, Northwest, and Rosedale. This investment also adds new renovations at Duke Ellington Field, Emery Heights Recreation Center, Rumsey Aquatic Center, Randall Recreation Center, Harry Thomas Recreation Center, and a brand-new community center at the former Crummell School site. It also includes new additional funding to renovate the pool at Upshur Recreation Center, address site issues at Douglas Recreation Center, and bring all DPR facilities into ADA compliance; and
- \$114 million over six years for the University of the District of Columbia for university improvements.

Public Safety and Justice

Our work to build safer, stronger neighborhoods across all eight wards continues, and the FY 2022 Fair Shot Budget includes critical investments that support our collective commitment to public safety and justice, including:

- \$5.7 million to divert some 911 calls for residents experiencing mental health distress to the Department of Behavioral Health’s Community Response Team;
- \$1.1 million to divert some 911 calls for minor traffic crashes (no injuries) and parking complaints to the District Department of Transportation and Department of Public Works, respectively;
- \$11.4 million for cash assistance for returning citizens, financial coaching, and the hiring of peer navigators to help returning citizens with the transition back into the community and on the path to economic opportunity;
- \$7.8 million for additional violence interrupters and \$400,000 for additional credible messengers;
- \$4.5 million to expand the DC Pathways program serving 100 more at-risk individuals per year;
- \$1.9 million to expand access to trauma-informed mental health services;
- \$1.1 million for intensive case coordination to assist those most at-risk of gun violence;
- \$450,000 for a violence interruption certificate program at UDC and \$200,000 for restorative justice training;
- \$5.6 million to create 278 dedicated employment opportunities through the Department of Public Works for residents most at-risk of gun violence;
- \$4.1 million to expand Project Empowerment with new wrap-around services for residents most at-risk of gun violence and the creation of new Pathways Champions positions at the Office of

- Neighborhood Safety and Engagement;
- \$2.2 million for temporary safe housing for residents involved in gun violence;
- \$2 million for expanded offerings from the Department of Parks and Recreation to communities hardest hit by gun violence;
- \$1.5 million for community grants to carry out neighborhood action plans in communities hardest hit by gun violence;
- \$7 million for a new Ready Center facility, which will serve as a one-stop shop where returning citizens can access consolidated resources from community based organizations and District agencies, including the Department of Corrections, Department of Motor Vehicles, Department of Employment Services, Department of Human Services, Department of Behavioral Health, and the Mayor's Office on Returning Citizen Affairs, to ensure successful reintegration into the community;
- \$7.2 million for youth safety initiatives, including an expansion of Safe Passage, out-of-school-time activities for youth, and enhanced training for school resource officers;
- \$3.4 million to add 100 new slots for the Metropolitan Police Department's cadet program; and
- \$57 million for the renovation and relocation of fire and police stations, including MPD's 7th District headquarters, Engine Company 26, and Engine Company 7.

Transportation and the Environment

The FY 2022 budget accelerates and expands numerous investments in transportation and infrastructure that will make moving throughout our city without a car safer and more convenient. The budget also includes investments that over time will make the District greener and more sustainable. Key investments in the District's transportation and environment budgets include:

- \$72 million to support healthy schools and affordable homes through weatherization improvements, solar installations, lead paint and mold remediation, lead pipe removal, and lead remediation in drinking water;
- \$375 million for streetscapes, trails, and Vision Zero safety improvements. This includes doubling the planned buildout of protected bike lanes to 10 new miles per year, a new bicycle and pedestrian bridge connecting the Barry Farm Community to the Anacostia Metro Station, implementation of numerous livability study recommendations, a deckover of Connecticut Ave NW to create Dupont Crown Park, a new South Capitol Street Trail that will create a full trail connection to Maryland's National Harbor, the completion of the Metropolitan Branch Trail, and the creation of the Shepherd Branch Trail in Ward 8;
- \$9 million to reclaim streets for public use through the creation of recurring monthly street closures in the downtown area, including on Black Lives Matter Plaza, Pennsylvania Ave. NW, 18th St. NW, 7th St. NW, and F St. NW plus one Open Streets event in each ward, and one signature Open Streets event on 7th Street from Florida Avenue to The Wharf;
- \$63 million for a transformative investment in over 50 priority bus lanes citywide, which will make bus transit easier and faster for thousands of riders throughout the District;
- \$19 million for the expansion of Capital Bikeshare, which will ensure that any District resident has access to a docking station within ¼ mile of their home, creation of a new Adaptive Bikeshare hub at Union Station, and the launch of over 1,000 more e-bikes as part of the fleet;
- \$100 million to accelerate the Benning Road Transfer Station modernization to begin in FY22, including fully remediating environmental and safety issues at the site, replacing the current facility, and creating new citywide composting capabilities;
- \$439 million invested in the District's local roadways, alleys, and sidewalks across all eight wards to ensure they are safe, reliable, and functional;
- \$1.7 billion to support capital infrastructure upgrades for the Washington Metropolitan Area Transit Authority;
- \$116 million to build the K Street Transitway by 2023, providing protected bus and bike lanes

through the District's downtown core;

- \$215 million for a full replacement of the H Street Bridge, a key piece in the overall redevelopment of Union Station. This replacement will eliminate safety concerns with the bridge, as well as facilitate the use of high-speed rail in and out of the train station; and
- \$1 million to conduct a feasibility study for a potential deckover project on North Capitol Street.

Jobs and Economic Opportunity

The FY 2022 Fair Shot Budget provides relief, recovery, and growth for all residents and businesses, especially those most impacted by the pandemic. This Budget builds on efforts to spread prosperity and support residents, local businesses, and entrepreneurs with:

- \$168.2 million returned to businesses through a one-time reduction in the Paid Family Leave payroll tax from .62% to .27% in FY 2022 only;
- \$3 million to expand the Solar Works program, which trains residents for careers in the emerging solar industry;
- \$49 million to expand subsidized employment and training opportunities through the DC Infrastructure Academy, Project Empowerment, WIC training partnerships, and apprenticeships;
- \$6 million for a Rapid Reskilling Fund to provide 700 residents without a bachelor's degree the opportunity to pursue training programs which result in free workforce credentials in high-demand occupations;
- \$4.6 million for Career Coaches who will help connect residents to career advising and to education, training, and employment in high-demand industries;
- \$3.8 million to expand enrollment in DC's Opportunity Accounts to approximately 600 people each year, continuing with a 4:1 match up to \$6,000. Opportunity Accounts can be used for college, continuing education, job training, first-time home purchases, small business development, qualifying medical emergencies, or to leverage the cost of retirement;
- \$500,000 for a workforce training program to serve LGBTQ+ residents through the Department of Human Services;
- \$15 million to support workers with cash assistance who do not qualify for federal unemployment assistance;
- \$26.5 million to provide seniors, youth exiting foster care, families enrolled in TANF, returning citizens, and residents who are homeless, with a laptop, tablet, or smartphone. Smartphones and tablets will come with one year of free data. This investment also funds a call center to help residents troubleshoot technology issues.
- \$57.7 million over three years to significantly expand access to grocery stores and sit-down restaurants in Wards 7 and 8 through targeted incentives, including \$2 million over two years to increase the DC Nourish Fund.
- \$9.2 million over two years to create a new technical assistance hub to coordinate small business capacity building efforts across the District;
- \$8.1 million to increase funding for Great Streets and commercial ownership opportunities for small businesses. This investment also supports the Shop in the District app to help residents and visitors shop at local District businesses;
- \$8 million for a Bridge Fund for arts venues in the District to support their successful re-opening;
- \$2 million to double the investment in the Inclusive Innovation Equity Impact Fund;
- \$1.4 million to develop an actionable plan for a complete overhaul of the District's license and permitting system to make it easier for business owners to start and maintain their business in the District;
- \$12.8 million to increase the number of permit reviewers and inspectors in anticipation of increased demand;
- \$990,000 to create a new Tax Revision Commission;

- \$14 million to support improvements in the Anacostia, Golden Triangle, and Southwest BIDs to promote placemaking and vibrancy;
- \$5 million to Events DC/Destination DC to support show attraction and promote DC as a destination to live, work, and play;
- \$10.6 million to attract high-impact employers to the District to increase employment opportunities;
- \$3 million to waive all DC government fees for community organizations to host events across the District;
- \$900,000 for live event)0across all four quadrants of the District in summer 2021;
- \$5.9 million to waive fees that taxi and limousine drivers, vehicle owners, and limo companies pay to operate their vehicles for two years;
- \$6.2 million to permanently reduce several classes of business fees down to \$99, including: formation filing fees, general business license fees, fees to obtain or renew a general business license, fees to start or renew an employment agency, employer paid personnel service or employment counseling business, and a two-year reduction to \$99 to obtain or renew non-health occupational and professional licenses;
- \$500,000 for Dream Grants to support small business owners in Wards 7 and 8;
- \$250,000 for ASPIRE to provide entrepreneurship opportunities to returning citizens;
- \$300,000 to provide financial and technical assistance through grants and direct assistance to medical cannabis certified business enterprises, veteran-owned business enterprises, and other District residents who own medical cannabis businesses;
- \$900,000 to support Go-Go, the official music of Washington, DC, through events and education; and
- \$1 million to support a community center for LGBTQ+ residents.

Government Operations

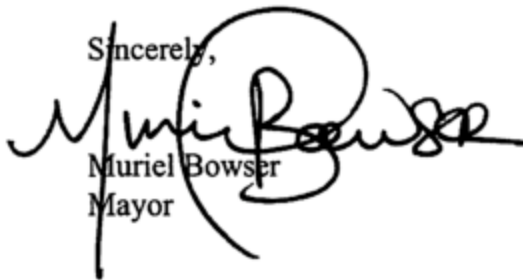
The FY 2022 Fair Shot Budget provides needed pay raises for our hardworking DC government employees, and investments in accountability, oversight, monitoring and evaluation of the significant increase in federal resources and investments that support our DC Values, including:

- \$1 million increase for the Immigrant Justice Legal Services grant program;
- Increased funding for interpreter services (\$200,000); veteran services (\$100,000) and AAPI anti-hate education (\$50,000);
- \$2.3 million to promote and increase access to voting by providing funding for technology upgrades to improve the voting process, implementation of Restore the Vote Act and increased staffing;
- \$15.7 million to fund the Fair Elections Act.
- \$8 million to protect the District against cybersecurity threats;
- \$9.5 million to enhance oversight, accountability, tracking, evaluation and monitoring, and processing of the District's \$3.4 billion in stimulus funds through the Office of the Inspector General, Office of the Chief Financial Officer, Office of the City Administrator, Office of Contracting and Procurement, and Office of the Chief Technology Officer;
- \$450,000 to the Department of General Services, Department of Human Resources, and Office of the Chief Technology Officer to study how the District might adapt its physical spaces, management training, and technology needs in a new virtual hybrid work environment;
- \$32 million, annually, to provide promised pay raises to Compensation Units 1 and 2 and members of AFSCME 2921 whose pay raises were paused during the pandemic;
- \$5.6 million, annually, to provide a two percent cost of living adjustment to non-union employees;
- New funds set aside so that the District can begin compensation negotiations with all unions that

- were put on pause during the pandemic; and
- \$75 million to continue the District's response to the COVID-19 pandemic through testing, vaccination, isolation and quarantine sites, cleaning, PPE purchases, and other critical programs and services that helped see the District through the pandemic; and

Since the start of the pandemic, you have heard me say many times: We are all in this together, and we will all get through this together. Time and again, I have seen this value come to life – in residents joining us for two Days of Action to help neighbors get vaccinated; in hospitality workers passing out meals to colleagues in need; in our health care workers, sanitation workers, and so many others who never stopped reporting in-person to serve their communities. The Fair Shot Budget builds on this sense of togetherness and is a budget that reflects our DC Values and the belief that we can work together to do more with more and build a stronger, more equitable DC.

Sincerely,



Muriel Bowser
Mayor


Chairman Phil Mendelson
at the request of the Mayor

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to adjust certain appropriations in the Fiscal Year 2021 Budget Request Act.

RESOLVED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Fiscal Year 2021 Revised Local Budget Emergency Declaration Resolution of 2021”.

Sec. 2. (a) The Mayor and the Council previously approved a balanced budget for Fiscal Year 2021.

(b) Since the time that budget was approved, the Chief Financial Officer has issued a revised revenue estimate certifying additional local fund revenues for Fiscal Year 2021. In addition, certain budget pressures have arisen since the beginning of Fiscal Year 2021.

(c) Appropriated revenues and budget authority for Fiscal Year 2021 must be adjusted immediately to ensure that a balanced budget is maintained while continuing to meet the needs of District residents.

(d) In conjunction with the proposed Fiscal Year 2022 Budget and Financial Plan, the Mayor identified additional amounts to increase available resources.

(e) Adjustments to Fiscal Year 2021 budget are necessary to recognize these additional resources, address existing budget pressures, align budgets with revenue, ensure timely repayment of the Contingency Cash Reserve Fund, and balance the budget.

1 Sec. 3. The Council of the District of Columbia determines that the circumstances enumerated in
2 section 2 constitute emergency circumstances making it necessary that the Fiscal Year 2020 Revised
3 Local Budget Emergency Act of 2020 be adopted after a single reading.

4 Sec. 4. This resolution shall take effect immediately.