We are ALL D.C.

FY17 Budget Priorities

Like many other cities in America, the District saw an increase in homicides and violence in 2015. We heard both elected officials and community members calling for the city to address the violence and ensure that all residents feel safe and secure. D.C. Police Chief Cathy Lanier acknowledged that the city needs to reconsider what "safety" means and look holistically at an individual's needs:

> *"The goal should be to put us out of business. The goal should be having investments before someone gets in the system. More investments in social services, and less in policing and incarceration."*

When we focus on public security, we dedicate resources to punitive measures and increasing the police presence in marginalized communities. When we focus on public safety, we prioritize ensuring that our residents are as safe from the harms wrought by economic, housing, or food insecurity as they are from bodily harm. Hunger can violate a person's safety as violently as a gun. To achieve Chief Lanier's vision, we must be more committed to providing social services that give people a chance to prosper than we are to criminalizing them.

We must address safety comprehensively, examining disparate racial, economic, and gendered impacts of policy, when the city makes investments. That means helping District residents attain the safety of stable housing and the safety that comes with good jobs.

If we are all D.C., then we should all be committed to the true safety of all of our residents. We cannot allow 41 individuals to die on the street without the dignity of a home, as we did in 2015. Nor can we pretend that the city has yet reached a point at which everyone has access to the opportunities they need to thrive. That certainly can't be said when public housing residents are in danger of being injured by their own homes, due to mold, ceiling collapses, or rodent bites. We can't expect all of our residents to prosper, until we have provided education to the thousands of functionally illiterate adults so that they can develop the skills that will help them succeed.

In order for us all to be D.C., we must invest in equitable solutions and outcomes to the city's most pressing problems. We must also commit to political processes that are democratic and accessible. This includes having meaningful engagement with residents by striving to make political participation easier, more frequent, and better-coordinated with the community groups and institutions that build relationships with them. People whose lives are shaped by the decisions of our mayor, council, and nonprofit organizations must move to the forefront. Ensuring that Black Lives Matter in D.C. is not only about protecting Black lives from police force, but also providing Black lives with safe access to the city's political processes so that they and others affected by the city's social services don't just inform our policies, but guide them. These efforts will help create a socially, racially, and economically just city, in which our most marginalized residents, who are overwhelmingly of color, won't feel pushed out or excluded from the political process.

We must make sure that those who have been left behind by the economic recovery and who have been the foundation of the city's growth have what they need to be truly safe, whether that is freedom from violence or freedom from slumlords, wage theft, and police brutality.

To that end, the Fair Budget Coalition recommends that the FY17 budget for the District of Columbia include the investments listed below.

Housing and Homelessness

Public Housing

While the D.C. Housing Authority owns and operates over 8,000 units of public housing, funding to repair and maintain these units has largely been provided by the federal government's Department of Housing and Urban Development. Shrinking federal dollars have allowed the majority of units in the city to fall into disrepair, however. Public housing residents have had to deal with mold, collapsing ceilings, missing portions of the floor, and more, all of which compromise their health and safety. According to the D.C. Housing Authority, 78% of the housing stock, or over 6,500 units, are in need of significant capital repairs. With the rise in housing costs showing no sign of abating, it is critical that the city preserve one of the few affordable housing options available to those living at or below 30% of the Area Median Income. Historically, our local government has stepped in when it became clear that federal support would never be sufficient, such as with the Local Rent Supplement Program. Similar action is required to protect public housing residents today. **The Fair Budget Coalition recommends that the city allocate $20 million toward repairs to public housing.**

Year-Round Access to Shelter

For the past several years, the D.C. government has only placed families in emergency shelters when it was legally required to do so by the Homeless Services Reform Act—on days where the temperature fell below freezing. As a result, hundreds of families have had to do everything from spending the night couch-surfing in unstable and unsafe housing to staying in cars, laundromats, or abandoned buildings to remaining with abusers or staying with strangers they barely knew, because they had no access to shelter. Most families who become homeless need services for only a short time, but statistically, the longer a person experiences homelessness, the harder it is for that person to find permanent housing. In addition to putting children and parents at grave personal risk, serving families only in the winter has had system-wide consequences. This includes a logjam of family applications and shelter placements during hypothermia season, which results in families having more intensive and costlier service and housing needs when they finally enter shelter. **FBC applauds the Bowser Administration for beginning to place families into shelter outside of hypothermia season, and recommends that the city formalize and fund this process to ensure that all priority one families have access to shelter whenever they need it.**

Local Rent Supplement Program

Washington, D.C. is the least affordable housing jurisdiction in the country compared to other "states." D.C.'s rental market has only a 3.5% vacancy rate, the third lowest in the country, and market rents are unaffordable even for middle-class workers such as teachers. The Local Rent Supplement Program both builds new affordable housing units for low-income residents in the District and provides tenants with vouchers that enable them to quickly access housing. Tenant vouchers are critical, as they are the fastest way to leverage available, private market housing. The construction of additional housing units, especially with one in five renters paying more than half their income in rent, is essential to bringing new affordable units online. **The Fair Budget Coalition recommends that the city allocate $3.6 million to the project/sponsor-based component of the Local Rent Supplement Program and an additional $5 million to serve 333 families on the Housing Authority's wait list. (Note: This recommendation is in addition to any recommendation for Targeted Affordable Housing that would include LRSP funds but specifically serves those in the homeless shelter system.)**

Interagency Council on Homelessness Strategic Plan to End Homelessness: Year Two

The District of Columbia has seen rising homelessness in recent years. In 2015, 3,821 individuals and 1,131 families experienced homelessness on a single night in the District. The 2015 Point in Time count showed a staggering 41 percent increase in the number of families experiencing homelessness from 2010. Because of rising housing costs and the loss of affordable housing stock, it has become increasingly difficult for people to quickly exit shelter and return to permanent housing. It is very difficult for residents to maintain employment or secure a new job without the stability of a home. For residents experiencing chronic homelessness, it is difficult to get the health treatment they need and their health suffers as a result. These investments are needed now to put D.C. on track to meet its goals of ending chronic homelessness by 2017 and all homelessness by 2020. **The Fair Budget Coalition recommends that the city invest $27 million to fully fund the second year of the Interagency Council on Homelessness's Strategic Plan to End Homelessness for singles, as well as the full amount required to end homelessness among D.C. families. [Note: This amount could change as the D.C Interagency Council on Homelessness finalizes its year-two targets.]**

Housing Production Trust Fund

Housing costs continue to rise in D.C., with the typical low-income household spending almost 70% of its income on housing. HPTF is the biggest local tool for increasing the affordable housing stock and preserving existing affordable housing. Currently, 65% of *extremely* low income households, and 20% of all D.C. households, spend more than 50% of their income on rent, an increase of more than 15,000 households since 2000. Many families are one job loss or illness away from becoming homeless, and in fact, homelessness among families has continued to rise in the District over the past several years. **The Fair Budget Coalition recommends that the city make a $100 million total investment to provide 1,000 households with housing.**

Health, Food, and Nutrition

D.C. Healthcare Alliance

Since 2011, the Alliance program has required beneficiaries to re-certify their eligibility every six months through a face-to-face interview. This requirement differs from any other public benefit program in D.C. – both in requiring recertification at six months, rather than annually, and in requiring face-to-face recertification, rather than through the return of a mailed annual renewal or renewing electronically. Since the six-month renewal policy began, Alliance enrollment has shrunk by more than 10,000 enrollees – to about 14,800. Legal service providers and community health centers have reported that eligible Alliance enrollees with full-time jobs and limited access to childcare find it difficult to complete the frequent interview requirement. Beneficiaries often have to make multiple trips to service centers to recertify because centers fill to capacity quickly. They also face a persistent lack of available language assistance, long lines, the frustration of learning that the paperwork they submitted was lost or not accounted for, and delays in processing information. Between half and 67% of Alliance re-certifications are never completed, which suggests significant barriers to completing the recertification process. **The Fair Budget Coalition recommends that the city allocate $13 million to ensure healthcare access to the 15,000 to 25,000 low-income residents who are not eligible for subsidized insurance through D.C. Medicaid, Medicare, or D.C. Health Link.**

Supplemental Assistance to Needy Families

In D.C., nearly one in seven families is struggling with hunger. While D.C. has made many program improvements to SNAP over the years, participation among seniors and working families is only at about 50% of eligible households. Because SNAP has the potential to reach so many of our low-income D.C. residents, we should actively reduce barriers to participation. Allowing for options such as mailing EBT cards to clients could help reduce barriers and improve participation in SNAP. An inability able to pick up an EBT card should not create a barrier to someone's food access. Fully promoting the SNAP Expansion Act of 2014, which increased the minimum SNAP benefit to $30 in D.C., should also be a priority. **The costs of giving clients the option of having their Electronic Transfer Benefit (EBT) cards mailed to them and ensuring better communication about local SNAP supplementation are negligible.**

Additionally, businesses have improved technology that can bring groceries to households. However, SNAP is not commonly accepted as a form of payment for these delivery options. The city should both explore a federal pilot program that would allow the acceptance of EBT for delivery and partially fund the delivery fee for SNAP recipients through local dollars. This would help better serve vulnerable groups like seniors, persons with disabilities, working families, and people residing in wards with limited access to full-service grocery stores.

Support Innovative Food Access Models

One in three children in D.C. lives in a household that struggles with hunger, the highest rate in the nation. Hunger is most prevalent in Wards 7 and 8, which face high levels of poverty alongside limited access to healthy foods. These factors strongly impact the health and well-being of residents, and Wards 7 and 8 have the highest rates of obesity, among other diet-related illnesses, in the city. To reduce hunger and increase access to and the consumption of fresh fruits and vegetables, the Capital Area Food Bank and Martha's Table launched Joyful Food Markets in four pilot schools in January 2015. With the support of the Department of Health, they expect to be operating in 29 schools by September 2016. The goal of the program is to open Markets in each of the 49 public, public charter, and parochial schools in Wards 7 and 8 by 2018, providing healthy food access to over 15,000 children and their families. **The Fair Budget Coalition recommends that the city allocate $1.13 million to fund the Joyful Food Market program.**

Produce Plus

The Produce Plus Program is a farmers' market nutrition incentive program designed to connect low-income community members with healthy food. Through the program, D.C. residents who receive Medicaid, SNAP, WIC, TANF, SSI Disability, or Senior Grocery Plus can visit any of the District's 53 farmers' markets and automatically receive $10 per week to spend on fresh fruits and vegetables. Unlike other incentive programs across the country, the Produce Plus Program does not require customers to spend their extremely limited food budgets in order to purchase healthy foods. In 2015 the program was funded at $400,000, and 90% of those funds were redeemed by D.C. residents for fresh produce. Of those customers, 36% receive SNAP and 31% receive Medicaid. This program has the potential to make a meaningful difference in a city with staggering health disparities and food security issues. **The Fair Budget Coalition recommends investing $1.2 million in the Produce Plus Program.**

D.C. Early Intervention Program

For too long, D.C.'s early intervention system for infants and toddlers with developmental delays has not reached as many children and families as it should. The system provides services for children and their families to help the child develop. Evidence is strong that early intervention works to get many children up to average development. It also reduces the need for special education services and other services later in childhood (saving $1.80 to $17.07 for every dollar spent). In D.C., many children have mild communication delays in infancy/toddlerhood, which, uncorrected, often lead to behavioral concerns and other difficulties as they enter preschool and school. Our neighbors in Maryland, Virginia, Delaware, and Pennsylvania all have more generous eligibility criteria. **The Fair Budget Coalition recommends that the city allocated $3 to $5 million to fund the program expansion passed in November 2014, but given a start date in 2017, subject to appropriations in the FY 17 Budget.**

D.C. Office on Aging

Over 100,000 D.C. residents are age 60 and older. According to the US Census, 14% of seniors (65+) in D.C. live at or below the poverty level, 5% higher than the national average, and 32% live below 200% of the poverty level. It is estimated that 1 in 4 District residents 65 and older do not make enough money to meet the cost of living in D.C. The senior service network supported by the Office on Aging to serve those older adults most in need continues to be a fragile safety net. The Office on Aging's FY16 budget was reduced by 5% from $43.3 million to $40.9 million, leading to unanticipated cuts such as a reduction in service at certain wellness centers and waiting lists for home-delivered meals and nutrition supplements. Many services are underfunded and low reimbursement rates erode the ability of organizations to provide much needed support. High-priority clients are not all being served, such as older adults on the waiting list for home-delivered meals. Nutrition counseling is only available to a precious few clients and vital nutrition supplements reach even fewer. Congregate lunch program participants have many needs that go unmet, such as untreated mental health issues and poor physical fitness. **The Fair Budget Coalition recommends that the city minimally restore the $2.4 million cut from the FY16 budget.**

Public Safety

Office of Victim Services

Despite generally decreasing violent crime rates in recent years, domestic and sexual violence continues to impact the lives of far too many District families and individuals. In 2014 close to 33,000 domestic violence-related calls were made to MPD, and domestic violence continues to be a major factor in District homicides. As D.C. continues to grow, local government must continue to expand the availability of high quality services and supports for all victims of crime, as well as increased efforts aimed at prevention. In Fiscal Years 2015 and 2016, OVS received increases to an agency budget that had taken major cuts following the recession, however there still remain unmet service needs. Housing and shelter for survivors of domestic violence continues to be one of the most consistent unmet needs. Supplementing federal housing and services grants with additional local dollars will help meet this need. **The Fair Budget Coalition recommends that the city maintain Office of Victim Services local funding at the approved FY16 level of $10.73 million and maintain local domestic violence housing and services funding administered by the Department of Human Services (DHS) at the FY16 levels of $1.97 million.**

Good Jobs, Workforce Development, Income Supports

Temporary Assistance for Needy Families

Many parents who have received TANF for more than 60 months, like similar families across the country, struggle with barriers that make it very difficult for them to work. Other parents may be ready for and doing everything they can to obtain work but face challenges finding good jobs in an economy like D.C.'s, with still-high unemployment for non-college educated workers. Families reaching time limits are far more likely than other TANF recipients to face serious barriers to working or finding a job, such as domestic violence, physical and mental health challenges, and low levels of education. The D.C. Department of Human Services has acknowledged that, despite the District's efforts to assess and address employment barriers, many TANF recipients "have unexposed or undiagnosed barriers that may prohibit them from engaging in services." Yet D.C.'s time limit fails to recognize the complex employment barriers faced by many families. Forty-four states recognize that some families need more time after they reach 60 months to move to self-sufficiency. But D.C.'s rigid time limit has few exceptions. Additionally, D.C.'s limited exemption categories that allow a family's time clock to stop when they face severe barriers, like experiencing domestic violence, are not consistently applied to every family. As a result, if nothing changes, more than 6,000 families, including 13,000 children, will lose all of their TANF benefits on October 1, 2016, leaving them with no cash assistance, no matter how hard they have tried to comply with TANF rules or how many barriers they may face to employment. Research shows that families cut off TANF often are not able to replace lost benefits with employment income and fall into deep poverty, leading to chaotic and unstable lives. Not surprisingly, the children in these families are harmed in ways that make it harder for them to succeed in school and in later life. **The Fair Budget Coalition recommends that the city allocate $30 million to modify the TANF time limit to ensure that it is responsive to family circumstances, helps families take steps toward greater independence, and does not push children into deeper poverty.**

Workforce Innovation and Opportunity Act

The federal Workforce Innovation and Opportunity Act (WIOA) mandates that all states submit a state plan for their adult education and workforce development systems by March 2016. The plan—a massive undertaking—should provide a roadmap for how the District will serve low-skilled adults, adult learners, disconnected youth, and residents with disabilities. It needs to be well thought-out with buy-in from all stakeholders, including relevant agencies, the community and providers. Also included in the plan are a series of performance goals to which the District will be held accountable. Failure to submit a plan or meet outcomes will result in sanctions to federal funding. WIOA gives D.C. an opportunity to reimagine our workforce development system and make changes so residents can attain the education and training they need to secure and maintain self- and family-sustaining employment. Without strong leadership, however we cannot hope to even take that first step.

By 2018 more than 70% of all jobs in the District will require some postsecondary education or training, yet an estimated 80,000 adults, including 60,000 without a high school credential, lack the basic math, English language, digital, and problem-solving skills needed to qualify for postsecondary education or training. Building career pathways for these D.C. adults to succeed in this city's 21st century economy requires District-wide commitment and a system-wide change. The District has invested in several initiatives to upskill and prepare more residents for the changing labor market, but too many gaps remain, and D.C. residents continue to pay the price. A system-wide strategy and a commitment to its implementation from all agencies are desperately needed to ensure our adult education and workforce development systems run efficiently and effectively for all residents. **The Fair Budget Coalition recommends that the city support D.C.'s adult education and workforce development systems by ensuring strong leadership at the Workforce Investment Council (both on the Board and on staff), submitting a strong WIOA State Plan, and ensuring proper and efficient implementation.**

Transportation Subsidies for Adult Learners

The District of Columbia's recent economic progress is undermined by an income inequality crisis. Over half of the students in adult education programs test at 6th-grade level or below in reading and/or math. Many quality programs provide basic skills education and job training to D.C. residents, but it takes time for learners to build their skills and advance to the next level of their career or education. With long commutes, demanding schedules, and tight budgets, learners often cite transportation as a barrier to attending and staying in school. Adult education providers have few options to offer assistance and often need to allocate their own limited funds to purchase tokens. This means that thousands of D.C residents without a high school credential or the skills to move on to the next stage are essentially stuck in place, while the odds continue to stack against them. With the expansion of "Kids Ride Free" last year, now is the time to continue the momentum of inclusivity and ensure all students—no matter their age—can attain the education they need to move toward self- and family-sustaining employment. **The Fair Budget Coalition recommends that the city allocate $5.3 million to support expanded transportation subsidies for adult learners in FY17.**

Worker Cooperative Pilot

Around the country, worker cooperative development is being increasingly used as an equitable economic development strategy. The model is particularly useful for those marginalized from the economy, including returning citizens. A worker cooperative is a business that is owned and governed by its employees. A growing body of research and experience points to the powerful positive impact of worker ownership in increasing productivity, job satisfaction, and company performance, raising industry standards in low-wage work, and even positively affecting public health. There are examples of low-wage workers in New York City who have formed worker cooperatives and have seen their hourly wages increase from $10 to $25 per hour within just a few years. These findings have led US cities – including New York City, Madison, WI and Austin, TX – to invest in worker cooperatives in recent years. They can be found in a wide range of industries around the country and world, including home healthcare, retail, and manufacturing. D.C. currently lacks any worker cooperatives or worker cooperative infrastructure. **The Fair Budget Coalition recommends that the city allocate $100,000 in a worker cooperative pilot to support a feasibility study to determine the industry niche, including the relevant training programs to connect to or develop, as well as hands-on technical assistance with returning citizen workers to incorporate and develop the skills necessary to be a successful worker-owner.**

Tax and Revenue

Tax Abatements and Tax Increment Financing

D.C. has many needs ranging from affordable housing to investments in education. That's why it is important that the District does not offer large, unnecessary tax breaks to businesses looking to locate, develop, or invest in D.C. There is a great deal of research showing that companies locate where it makes the most sense in the long-term, and that companies seek tax incentives because they can, not because they are essential to a location or investment decision. Businesses make investment decisions based on the best rate of return, and state and local taxes usually are not major factors in these decisions because taxes are a small part of a company's expenses. D.C. needs to make investments in schools, a comprehensive public transportation system, new libraries and parks, and affordable housing to continue to attract and retain our workforce and to help low and moderate income residents benefit from D.C.'s growing economy. Giving large tax breaks to companies will limit the ability of D.C. to make those investments and set a bad precedent for companies considering a move.

D.C. recently authorized more than $40 million in tax abatements for D.C. United and up to $60 million for the Advisory Board. That is more that $100 million over the next 15 years that could go to other priorities. Given that the District needs billions of dollars over the next 10 years just to address the affordable housing crisis for our lowest-income residents, these large subsidies must be curbed in order to meet the needs of District residents. **The Fair Budget Coalition recommends that no tax abatements or tax increment financing be offered to businesses through the Fiscal Year 2017 budget. We also recommend that tax abatements offered for purposes of economic development be capped and budgeted for in the Deputy Mayor of Economic Development's budget for future fiscal years.**

Tax Triggers

When the D.C. Council implemented the tax triggers recommended by the Tax Revision Commission, the initiation of a tax cut was to be based on revenue forecasts that are made in February. The FY16 budget moved the trigger date five months earlier to September, however. As a consequence, revenue projections made between September of one fiscal year and February of the next will trigger tax cuts, regardless of whether those projections were inaccurate. This seriously jeopardizes the capacity of the mayoral administration or the city council to identify adequate funding for necessary programs. Given that the substantial needs included above represent only small steps toward addressing larger, long-term challenges, it is critical that the city delay the implementation of the tax triggers. **The Fair Budget Coalition recommends the delay in any newly triggered tax cuts so that the city has adequate resources to fund its most vital social services.**