

DC Fair Budget Coalition FY18 Budget Report

Since Election Day, DC residents have erupted in renewed outcry vehemently opposing the policies of the new presidential administration, hosting almost daily protests for four straight months. You need not look further than the graffiti that lines the U St. Corridor to see DC's vocal rejection of President Trump.

Yet, we know that the sentiments of President Trump's rhetoric and policies are not new to American history, nor to this jurisdiction. From the name of the Washington Football Team to the Slave Markets on the banks of the Potomac River in Georgetown, we can see that DC is a product of centuries of institutionalized xenophobia and racism that have left indelible marks on its infrastructure, as well on its residents.

Yet, DC is also a product of a rich history of organized resistance. We celebrate Emancipation Day to commemorate this fight. A plaque on the steps of the Lincoln Memorial honors The March on Washington and the movement that advanced a vision of freedom and justice. Fredrick Douglas' house is a historic site, overlooking DC's skyline. Howard University stands as a proud reminder of these roots, as well as an ongoing reminder of resilience and resistance.

In the spirit of resistance, Mayor Bowser, along with the DC Council have vocalized a commitment to ensuring that DC is a place that everyone can live and thrive, regardless of race, immigration status, gender identity, or religion. They have rejected the most extreme of Trump's rhetoric to assure residents that we will remain a Sanctuary City and will stand up for our right to create and enforce our own laws and control our own budget.

Yet, DC cannot consider itself a Sanctuary City when slumlords force low-income immigrant families to live with lead, mold, and rodents in overcrowded conditions. Or when employers can pay less than the minimum wage and deny sick leave because employees do not have documentation. We cannot claim to be a place that everyone can live and thrive when over 8,500 people are experiencing homelessness and shelters are at peak capacity. Nor, can we claim to protect our residents when Black and Brown people are subject to police brutality.

In order for DC to be a Sanctuary City for all of its residents, we must make sure that our public dollars and services are used protect low-income people, and particularly communities of color from the state sanctioned violence of poverty, police brutality, and deportations. Now is the time to proactively invest in policies that truly allow residents to have the social, physical, and financial security they need to thrive. It means prioritizing Housing Security, Economic Justice, Civil Rights, Mental and Physical Healthcare, Food Access and Nutrition, and Fair Taxes and Public Deals, in the FY18 budget. It includes replacing any lost federal dollars with local funds due to changing federal policy.

During these uncertain political times, we should honor our long and proud legacy of being a national leader on civil rights, workers' rights, immigrant rights, women's reproductive health, and LGBTQ rights- but we also must make greater strides towards meeting the basic needs of all DC residents. As the nation's capital, DC needs to maintain this standard and never waver in our steadfastness to protect our safety net, or in our determination to fight for our residents, particularly those who face the greatest threats under this administration.

Housing Security

- End homelessness for 1,296 families and chronic homelessness for 1,303 individuals
 - \$8.5 million for 535 units of Permanent Supportive Housing for singles
 - \$5.2 million for 425 units of Targeted Affordable Housing for singles
 - \$3.7 million for 343 units of Rapid Rehousing for singles
 - \$9.5 million in Permanent Supportive Housing for 317 families
 - \$10 million in Targeted Affordable Housing for 513 families
 - \$7 million in the tenant based Local Rent Supplement Program for vouchers for 466 families on the DC Housing Authority Waitlist
- Invest \$25 million to repair DC's Public Housing Stock
- Preserve \$719,000 of DHS local housing/shelter for survivors of domestic violence
- Invest \$150 million in The Housing Production Trust Fund

Civil Rights

- \$470,000 to implement Fair Criminal Records Screening Act for Housing
- \$2-\$3 million to reform Language Access for Education Act

Economic Justice

- \$20-\$30 million in start up funding for Paid Family Leave Insurance Fund
- \$1.5-\$2 million to expand WMATA school transit subsidy to adult learners
- \$31.4 million to reform TANF's time limit policy

Mental and Physical Healthcare

- \$400,000 to address community health concerns in places of intense planned development
- \$11 million to improve DC Healthcare Alliance
- \$5 million to increase funding for DBH Mental Health Rehab Services & Adult Substance Abuse Rehab Services and Designate specific funding for Recovery Support Services

Food Access and Nutrition

- Maintain \$1.3 million for the SNAP Expansion Act of 2014 and fully implement SNAP Expansion Act of 2010
- Maintain \$1.2 million to support of Produce Plus
- Amend the FEED DC Act to improve its effectiveness, including \$50,000 for cooperative development grants to small-medium grocers to locate to Wards 7&8

Fair Taxes and Public Deals

- Delay tax triggers
- Reconsider subsidized development projects that don't meet basic resident needs
- Increase taxes on developers building high end and luxury condos
- Increase corporate tax rates for multi-state and multi-national corporations
- Eliminate subsidies for housing providers/property owners with substandard, unlawful living conditions
- Use money from fund balance and reserve
- Raise taxes on wealthy individuals
- End land giveaways and enforces affordable housing regulations on land sold/leased at discounted price
- Withdraw all subsidies/abatements from developers/corporations not complying with local hiring, affordable housing regulations or other wage/labor laws

Housing Security:

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- \$10 million in Targeted Affordable Housing for 215-513 families
- \$10 million in the tenant based Local Rent Supplement Program for vouchers for 666 families on the DC Housing Authority Waitlist

According to the 2016 Point in Time count, on a given night 8,500 people experience homelessness in DC. Through funding the above investments, individuals and families experiencing homelessness would be matched to appropriate housing interventions. For families, investing in these programs will more efficiently, more directly, and more humanely tackle the problem of overcapacity family shelter and will get DC closer to its goal of ending family homelessness by 2019. Having adequate and diverse housing resources to meet the needs of families in Rapid Rehousing will also prevent families from cycling back into homelessness, and will vastly improve the success of the program. Shelter is at least two times more expensive than any of the proposed affordable housing programs and the conditions and design limitations of shelters can also make it more difficult for families to adequately care for their children's health, education and dietary needs.

Although over the past few years, homelessness in general has been on the rise in the District, because of increased investments in these housing interventions for individuals, the rates of chronic homelessness are going down. It is critical that we continue to invest in these housing solutions so that we can continue to see rates of chronic homelessness fall. These investments represent safe, affordable housing, the dignity of a home, and relief from years of homelessness. This funding fits into DC's broader homeless policy goal of ensuring that, by 2020, all homelessness is brief, rare, and non-recurring. We know that housing saves lives and ends homelessness and is a more humane approach than clearing encampments or warehousing people in old shelters with many conditions issues. Moreover, funding housing interventions for individuals experiencing chronic homelessness results in well documented cost savings and will lead to increased efficiency system-wide by freeing up shelter and other resources.

Invest \$25 million to repair DC's Public Housing Stock

The budget that the DC Housing Authority receives from the federal government is not adequate to meet the need for timely maintenance and thorough repairs of public housing units. As a result, many residents report that they suffer from persistent housing conditions issues, some of which threaten their health. Such conditions range in severity and include leaks, mold, broken doors and windows, holes that permit pests to enter, and pest infestation. We support the continuation of local funding for public housing maintenance and repairs that was piloted in the 2017 DC budget. The funding could impact hundreds of public housing families by improving the conditions of their homes. As well, the program could result in significant cost savings down the road if maintenance issues are addressed before they worsen and become more expensive facility issues. The need for local investment in public housing becomes ever more urgent as federal funding for the program is continually cut, and could face total elimination.

Preserve \$719,000 of DHS local housing/shelter for survivors of domestic violence

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. Housing and shelter for survivors of domestic violence continues to be one of the most consistently unmet needs. Last year, there were 633 unique survivors

served in victim services housing and shelter programs. The average length of stay across housing providers was 69 days. 27% of homeless families in DC reported a history of domestic violence in 2015 and 15.3% were homeless as a direct result of a violent incident. Local domestic violence service providers received 43 requests by victims for services that they were unable to meet. 35% of these unmet requests were for housing.

\$150 mil invested in Housing Production Trust Fund

The Housing Production Trust Fund (HPTF) has been DC's primary driver of affordable housing construction and preservation over the last few years. In FY17, Mayor Bowser allocated \$100 million toward the HPTF, but much more is still needed. According to the DC Fiscal Policy Institute, the amount necessary to meet the District's affordable housing needs is at least \$4.75 billion over ten years. While we are increasingly confident in the Department of Housing and Community Development's ability to put HPTF money to use in a timely way, we know that more time is likely needed before it could move \$475 million in one fiscal year. This year, we are calling for \$150 million in the HPTF (including funds from its dedicated revenue source), in recognition that it is still less than a third of the amount needed annually to fill the need, but would mark a significant improvement for DC's very low income residents. DC this year was found to have the highest homelessness rate per capita out of 32 US cities. In recognition of the growing crisis for people at the lowest income levels, we are also calling for a regulatory change to raise the percentage preserved for Extremely Low Income residents (at or below 30% AMI) from 40% to 50%. We're also calling on DC to present a plan for how it will fill the full need for affordable housing construction and preservation for *all* Extremely Low Income residents, including those who need wheelchair accessible housing or larger family units.

Civil Rights

\$470,000 to implement Fair Criminal Records Screening Act

Often referred to as "housing ban the box," the Fair Criminal Records Screening Act for Housing (FCRSAH) was passed subject to appropriation in December of 2016 and needs funding for enforcement at the Office of Human Rights before it will go into effect. At its core, FCRSAH is a civil rights bill that will reduce housing discrimination against people who have already experienced racism at the hands of the criminal justice system. When people with criminal records search for housing now, that racism is compounded by irrational denials of their housing applications based on fears, myths and stereotypes about people who have records. Because of this discrimination, people with criminal records remain homeless longer, even if they have sufficient income or housing assistance to rent in the private market. And since housing instability is the biggest predictor of reoffending, and people experiencing homelessness often engage in daily activities that are criminalized, the cycle of homelessness and prison gets repeated over and over again

\$2-\$3 Million to reform Language Access for Education Act

Language access is critical for the District's limited/no English proficiency (LEP/NEP) residents and spans across issues. Without language access, it becomes difficult for immigrant residents to receive services or engage in our government and institutions. The amendment also serves LEP/NEP students, parents, and community members at public schools and charter schools by providing bilingual staff, teachers, and counselors access, as well as training for staffers on how to effectively work with LEP/NEP students and families.

Economic Justice

\$20-\$30 million in start-up funding for Paid Family Leave Insurance Fund

Last year, the DC Council passed one of the most progressive Paid Family Leave programs in the country, guaranteeing parents 8 weeks of parental leave, individuals 2 weeks of medical leave, and caregivers 6 weeks of leave. The program's progressive reimbursement rates ensure that low-income workers can actually afford to

take advantage of the program and take the leave that they need. This funding is for the startup creation of a paid leave insurance office within a larger agency that, once established, will be able to issue wage replacements to all DC workers needing to take time away from their job to care for their own health or the health and wellbeing of a loved one such that no one in DC will need to make false choices between providing for their family and caring for them. This program will serve the more than 550,000 people working in DC's private (including nonprofit) sector once it is up and running. Nationwide, only 13% of private sector workers have access to paid family leave provided by an employer – and only 5% of lowest income workers have such benefits – but when DC's program is up and running, that number will skyrocket to 100% coverage for DC's private sector workforce providing greater economic stability to families in DC and the region.

\$1.5-\$2 million to expand WMATA school transit subsidy to adult learners

The District of Columbia's recent economic progress is undermined by an income inequality crisis. By 2018, 70% of jobs will require some post-secondary education or training. Meanwhile, more than 62,000 DC residents lack a high school diploma or equivalent. Over half of the students in adult education programs test at 6th-grade level or below in reading and/or math, and 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 an extremely limited financial ability to provide transportation assistance, which does not come close to addressing the full need. Providing transportation assistance to all adult learners will help to ensure that learners can maintain and complete their education while also meeting their other needs.

\$31.4 million to reform Temporary Assistance for Needy Families (TANF)'s time limit policy

The DC government must amend its time limit rules to make them more responsive to specific family circumstances. 5,000 families, including more than 10,000 children, are slated to lose all of their TANF benefits on October 1, 2017, 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. By adopting the TANF Working Group's "Preferred Option," we can ensure that the program is more responsive to individual family circumstances, help families find more stable employment, and keep children from being pushed into deeper poverty. This option ensures that 80 percent of a family's TANF grant is guaranteed as the designated "Child Enrichment portion." This portion would never be subject to time limits or sanction, to ensure children's needs are always met. Research shows that families cut off TANF often are not able to replace lost benefits with employment income and fall into deep poverty. 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. Studies have also linked termination of TANF benefits in other jurisdictions to increased family homelessness and child welfare involvement. Furthermore, rigid time limits will also prevent families that could make progress toward employment from receiving the time and support they need to achieve financial independence. Terminating families from all cash assistance not only prevents them from meeting the basic needs of their children but also from attending productive activities needed to achieve financial independence, such as job training, job interviews, substance abuse counseling, and mental health treatment, because they cannot even afford the bus fare to get to these activities.

Mental and Physical Healthcare

\$400,000 to address community health concerns in places of intense planned development

When planning development projects, the Planned Unit Developments should consider Environmental Justice issues such as public health, climate change and potential undue burdens on existing community members in areas around planned development as stated in the Comprehensive Plan. Fines from Enforcement Violations by industries such as aggregate, concrete and waste management facilities should be placed into a fund to support

public health concerns of communities directly impacted. \$400,000 would include funds for increased air monitors throughout DC, especially in construction and industrial zones, community health safeguards for areas with increased pollution due to construction such as HEPA air purifiers, air filters and HEPA vacuums. Funding for Community Health and Safety studies in areas of planned and current development, salary for Community Health Liaison Program that can help implement recommendations of the Community Health and Safety studies and community health concerns.

\$11 million to improve DC Healthcare Alliance

The DC Healthcare Alliance program provides health insurance for low-income DC residents who are not eligible for Medicaid. Unlike Medicaid, Alliance beneficiaries are required to recertify their eligibility every six months and must complete an in-person interview, a change instituted shortly thereafter Medicaid was expanded in DC over concerns of program integrity. These requirements have created barriers for participants, causing many to either leave the program entirely or only apply when health insurance is most needed, often for illnesses that could have been treated less intensively or expensively with a more regular source of care. Additionally, having to re-apply in person has added considerable volume to ESA service centers, where people may show up hours early to wait in line, may not be seen, or may have their paperwork misplaced. By streamlining eligibility requirements to be more in line with other public benefits programs like Medicaid, Alliance can prevent programmatic churn, reduce volume at service centers, and improve population health.

\$5 million to increase funding for DBH Mental Health Rehab Services & Adult Substance Abuse Rehab Services and Designate specific funding for Recovery Support Services

People suffering from addiction in the District should have the best chance at a full recovery and the opportunity to live a better life. These funds would allow for 200 DC residents per year to be served in Environmental Stability and another 1,000 DC residents per year to be served by general Recovery Support Services (RSS). These funds would also give Mental Health Rehabilitation Services a needed increase to meet inflationary costs. These services benefit individuals in recovery and remission with substance use disorder to maintain their sobriety and therefore their employment and housing and not have to disrupt their life and reenter the more expensive treatment and rehabilitation services. Those services include: recovery coaching and mentoring services, coordination of care services, life skills building, transportation, and job readiness skill building. The Environmental Stability service within RSS provides financial support as well as the other services for safe housing for up to six months, with a goal to save money to afford continued stable permanent housing beyond those initial six months and help foster a stable recovery environment

Food Access and Nutrition

Maintain \$1.3 million for the SNAP Expansion Act of 2014 and fully implement SNAP Expansion Act of 2010

The Supplemental Nutrition Assistance Program (SNAP) Act of 2014 increased the minimum SNAP benefit from \$16 to \$30 a month using local funds. We are asking that the District maintain this funding. Many residents state that the federal minimum of \$16 is not enough, and many eligible seniors see the low minimum benefit level as not worth it to apply. The local supplement helps low-income DC residents put more food on the table and helps to improve participation among residents who are struggling against hunger. In 2010, the SNAP Expansion Act of 2010 was passed in order to improve policies that would help low-income families access the highest SNAP benefit level possible. It included the two following policy changes: Transitional benefits for families leaving TANF--would provide an automatic 5-month increase in SNAP benefits to help ease TANF families' transition to work; standardized self-employment deduction--would simplify the application process for self-employed applicants by establishing a set deduction; this would reduce application barriers (including verification burden) and also boost benefit levels among the self-employed We want to ensure that these policies are fully implemented.

Maintain support of Produce Plus

DC's Produce Plus program, provides an incentive for DC residents who are eligible for SNAP, WIC, Medicaid, Senior Grocery Plus, TANF, SSI Disability, and Medicare QMB to shop for fresh produce at DC farmers' markets. Participants receive \$20/week from June - September. In FY17 the program had several goals, foremost being to improve access to nutritious food choices in Wards 5, 7, and 8. In FY17 the program served over 7,000 DC residents. On an individual basis this program is a drop in the bucket given that over 180,000 DC residents are eligible to receive the benefit, but on a population level this program is working on a broader structural problem. With funding in FY17 the DC Farmers Market Collaborative, which partners with DC Greens on program implementation plans to use funding to bolster farmers' markets in Wards 5, 7, and 8 through a combination of increased Produce Plus funds, special events, and a targeted marketing campaign. The goal is to increase the number of multi-vendor farmers' markets in those Wards by making it easier for low-resource residents to shop and encouraging higher income residents to shop there as well. By targeting Produce Plus funding towards building more sustainable markets (supported by residents of all socio-economic levels) DC is committing to improving the built environment for residents who need to be able to access nutritious food options in their neighborhoods. The funding will improve the overall quality of service for low resource customers at farmers' markets throughout DC and will work to increase efficiency within the program. Program administration in FY17 will continue to work towards decreasing lines at farmers' markets and improving customer experience.

Amend the FEED DC Act to improve its effectiveness, including \$50,000 for cooperative development grants to small-medium grocers to locate to Wards 7&8

This recommendation supports amending the 2010 FEED DC Act which put in place incentive structures to increase access to healthy foods in underserved neighborhoods. While the overall number of grocery stores in the District has increased since the Act's passage, the number of full-service grocery stores in Ward 7 and 8 has decreased. \$50,000 will provide cooperative development grants, realign existing tax incentives to provide greater incentive packages for small to medium sized grocers to locate East of the River. As a part of this recommendation we are also asking that the WIC vendor requirements be modified to be in alignment with the federal standards. Currently only 55% of full-service grocery stores in DC accept WIC--partially because DC has retailer requirements that greatly exceed the federal requirements. This is a barrier for WIC participation and healthy food access for WIC recipients.

Fair Taxes and Public Deals

DC must take proactive measures to confront the federal challenges to revenue stream for the DC budget, with an opportunity to enhance the low-income budget, move to more progressive taxation and lower income inequality. We are calling on the DC government to take common-sense measures to ensure that public land and money are used for the public good and meeting basic needs of DC residents. This includes ensuring that companies that do business in the District or receive government contracts are complying with wage and hour laws, affordable housing requirements, and keep housing conditions up to code. DC's current restrictive fiscal policy forces District officials to govern with their hands tied, limiting their ability to maintain a vital city and care for residents. The District is financially thriving, with growing revenues and one of the healthiest reserves in the nation. Yet current fiscal policies prevent new revenues from being used to meet urgent needs, in favor of automatic tax cuts and ever-growing reserve funds. By taking the following measures, we can meet the pressing needs of District residents.

- Delay tax triggers
- Reconsider subsidized development projects that don't meet basic resident needs

- Increase taxes on developers building high end and luxury condos
- Increase corporate tax rates for multi-state and multi-national corporations
- Eliminate subsidies for housing providers/property owners with substandard, unlawful living conditions
- Use money from fund balance and reserve
- Raise taxes on wealthy individuals
- End land giveaways and enforces affordable housing regulations on land sold/leased at discounted price
- Withdraw all subsidies/abatements from developers/corporations not complying with local hiring, affordable housing regulations or other wage/labor laws

Though the measures outlined above represent the Fair Budget Coalition's priorities for the FY18 budget, we support the work of our member organizations fighting for the following:

End Youth Homelessness in DC:

- \$5.7 million for additional shelter beds to serve young people
- Increase the number of transitional and Permanent Supportive Housing beds for youth
- Bring online a new Rapid Rehousing program designed for youth
- Aftercare services for youth

Fully Fund the right to access emergency shelter in severe weather by changing the way that DC budgets for the entitlement

Maintain DC's current funding commitment of \$1.13 million for the Joyful Food Market Program

Maintain DC's commitment of \$250,000 to support the Healthy Corner Store Program

\$141,025 to provide subsidies to Public and Charter Schools to implement Breakfast in the Classroom and increase school breakfast participation

\$10 million to expand early intervention services for infants and toddlers with developmental delays

Preserve the Office of Victim Services- Justice Grants local budget at current levels

Preserve Department of Human Services local Health and Human Services Family Violence Prevention and Services Act match for federal Family Violence Prevention and Services Act funds

Improve programs that prioritize legal, housing, and counseling services for individuals from marginalized communities