

March 10, 2017

Dear Mayor Bowser:

As you prepare your Fiscal Year 2018 budget submission, I want to share with you some of my biggest priorities for the year ahead. We are fortunate to have a healthy, growing economy and stable financial footing as a city, and I look forward to working together on a budget that makes key investments to ensure all District residents share in that prosperity. I am eager to collaborate with you in the year ahead in our shared goal to make the District an equitable, inclusive, and thriving place for all.

Certainly, a top priority for me is the work of my committee on labor and workforce development. My committee staff and I are trying to wrap our arms around the issues, policies, and people. I look forward to working with all the agency heads in this area of government, particularly Deputy Mayor for Greater Economic Opportunity Courtney Snowden, Department of Employment Services Director Odie Donald, and DC Department of Human Resources Director Ventris Gibson. I do not have specific budget asks in these agencies right now, but I do have requests that I consider very related to workforce development in childcare, TANF, and adult learner transportation subsidies.

I ask for your consideration and funding for the big ticket items listed below, which I believe will have a big impact on creating a stronger city and giving residents pathways to the middle class and beyond.

PAID FAMILY LEAVE START-UP COSTS

I take seriously the points you expressed in your letter to the DC Council on paid family leave, and my staff and I look forward to meeting with you to work collaboratively through your concerns. We both want a paid family leave program to benefit District workers and businesses. As the paid family leave legislation passed by the Council last December nears congressional approval, I hope we can start planning for how to implement this important program.

No matter the final version, the program will require investment in IT infrastructure and human capital. We have learned from other programs that we want to make the right investments up front. That means fully-funding a trained staff, building a website that does what we need it to do while being consumer friendly, and creating a versatile back-end software system. After the start-up phase, the agency in charge of administering paid leave will be funded through a portion of the funds raised from the payroll tax, but a one-time budget allocation for start-up costs will help get the agency up and running as quickly and smoothly as possible.

Getting a strong paid family leave program in place will provide District residents and workers much needed financial security while dealing with their own serious illnesses, as well as when they need to take time to care for family members who are ill or are new additions to their families. As study of California's program has shown, it will benefit families, businesses, as well as our entire city.

PUBLIC EDUCATION

Our education system is a fundamental part of our efforts to make the District a more equitable city and help us build an even more prosperous future. It is one of best tools to combat income inequality and poverty. District schools should be the start of a long pathway to the middle class, allowing children in every ward and in every neighborhood to grow and thrive. It should also help older District residents return to school, to help them gain the skills they need for that next job, or improving the job they have now.

Strengthening Existing Programs

- ***FUND NON-TRADITIONAL CHILDCARE STUDY***
\$1 million in one-time funding

Many District parents work outside the conventional office hours of 9 a.m. to 5 p.m. This includes shift and hourly workers, who may need access to childcare during a time outside of school hours and traditional childcare operations of 7:00 a.m. to 6:00 p.m. Non-traditional childcare facilities, which can either operate 24-hours a day or open very early in the morning or close very late at night, can provide stable child care options for workers who typically have to rely on family members or friends for assistance.

This is a budget request that comes under education, but is truly a request from my position as Chair of the Committee on Labor and Workforce Development. It is critical to getting and keeping our moms and dads in the labor force and strengthening our economy. Currently, the Department of Human Services provides all eligible District residents subsidies for non-traditional childcare, but there is likely more demand for seats than supply. It is unclear if the District currently has a sufficient number of non-traditional childcare facilities to meet the need. As of February of 2017, the Office of the State Superintendent’s “DC Child Care Connections” website only lists a handful of non-traditional childcare facilities.

Given the fact that the District has approximately 112,000 hourly workers, it is vital that the city provide robust childcare options during non-traditional work hours. I ask that you put money in your budget to fund a study, through OSSE, to see how we can improve the delivery of non-traditional childcare and help moms and dads who want to get on the pathway to the middle class.

- ***INCREASE THE CHILDCARE REIMBURSEMENT RATE***
\$13 million in recurring funding

Again, this is an education request that is also a workforce development request. With universal pre-Kindergarten for three and four year olds, the District has led the nation in recognizing that early childhood education is a critical piece of school reform, as well as a crucial support for working families. However, early education – and the achievement gap -- begins before preschool. Because of the high cost of high-quality childcare in the District (more than \$20,000 per year) there is an enormous gap between what working parents know their children need and what they are able to provide, as they struggle to climb the ladder to the middle class.

A recent report from the DC Fiscal Policy Institute and DC Appleaseed found that the existing gap between the average cost of childcare and subsidy reimbursement rate is between 30-35 percent. In other words, the subsidy only covers, at most, 70 percent of the average cost of childcare. Centers receiving the subsidy therefore have to find a way to fill that gap, making it harder for them to take subsidized children. A necessary first step is raising reimbursement rates for all tiers of subsidized childcare providers by at least 30%, or whatever is deemed necessary, to ensure that the reimbursement rates *fully compensate for the actual costs* of providing care. The report also found evidence that many of our childcare providers currently pay poverty wages, struggle to make payroll, and operate in the red, while providing a desperately needed service to our working families and their children. I ask that you dedicate sufficient funding in next year's budget to increase our childcare subsidy to start making childcare more affordable to everyone.

One final comment: I was so happy to see you speak at the Women's March on Washington. I have been in feminist settings—as you know, attending one of the few all-girls public high schools in the country—but I have to say that being a councilmember has opened my eyes to how not having a place at the table impacts policy. I think that the underinvestment in child care is related to the historical underrepresentation of women in policymaking roles. As one of the highest profile big city mayors, I really think you could champion this issue and it would change not only our city but our country.

HOUSING AND COMMUNITY DEVELOPMENT

- **FULLY FUND THE HOUSING PRODUCTION TRUST FUND**
\$120 million

Again, thank you for leading boldly on this issue and putting \$100 million in both your FY 2016 and FY 2017 budgets for the Trust Fund. This is our greatest tool for providing affordable housing to District residents, and this investment has already provided thousands of new and renovated units. I enthusiastically support you in your leadership on this issue, but I hope that this year we can be even bolder. Amid uncertainty at the federal level, a key federal program, the Low-Income Housing Tax Credit, is providing significantly less financial support to affordable housing programs. The District should step up to fill this financial gap by increasing its investment in the Trust Fund, to \$120 million.

- **PREVENTING DISPLACEMENT BY PROTECTING TENANT AND HOMEOWNER RIGHTS**

Currently, there are over 30,000 cases in D.C. landlord-tenant court each year, in which more than 90% of tenants appear without legal representation. This leaves tenants vulnerable to illegal evictions and often prevents property owners and tenants from reaching mutually beneficial agreements to address both non-payment and housing conditions complaints. Increasing resources for legal representation has been shown to have enormous positive effects: As part of its plan to reduce homelessness, New York City recently put a large investment into housing-related legal services and saw evictions drop by 18%.

Increased legal services can also sustain quality affordable housing in other ways. For example, D.C. tenants facing deplorable conditions are often face challenges when they try to self-

organize, file motions in housing conditions court, or otherwise protect their rights to safe housing conditions. Without support, many multifamily units face deterioration and neglect that eventually forces tenants out. Although D.C. tenants have a powerful tool for housing preservation in TOPA, it is nearly impossible to use TOPA on multifamily properties without significant assistance from nonprofits. We should create a targeted grant program for law school clinics and other nonprofit service providers for concentrated civil legal services, foreclosure and eviction prevention services, assistance organizing, and other services to help tenants and homeowners preserve affordable housing and prevent displacement.

- ***ESTABLISH HOUSING PRESERVATION UNIT IN DHCD
\$10 million of HPTF funds***

This year, following recommendations from the Housing Preservation Strike Force, the Department of Housing and Community Development set aside \$10 million to create a new Preservation Unit. This unit would use the funds to help preserve affordable housing in the District. The money has been set aside, but the unit has not yet been established. We should set up the unit this year, and continue its funding for next year.

- ***CONTINUE THE PUBLIC HOUSING REPAIR FUND***

Public housing is a critical part of our affordable housing inventory, but we need to keep it in good repair. This is good return on investment. Last year, we decided to dedicate any unspent housing voucher money to public housing repairs, starting with \$15 million in FY 2017 funds. These funds will go a long way towards filling an estimated \$750 million shortfall in needed public housing repairs. The Housing Authority has identified needed structural and systems repairs and has worked to get much-needed vacant units back on line. We should continue to direct unspent voucher money to the Public Housing Repair Fund, ensuring the Council and Mayor's commitment to addressing all aspects of affordable housing continues, while working to make sure the Housing Authority is spending the money in a timely manner.

- ***FULLY FUND HOUSING VOUCHERS***

Our local housing voucher program is one of our best affordable housing programs. More than 173 project-based and sponsor-based Local Rent Supplement Program units were approved in FY 2016, and 785 are in various stages of development. More than 730 new tenant-based LRSP vouchers were issued in FY 2016 and FY 2017 to date. While the process of allocating tenant-based vouchers and housing voucher holders continues to be slower than we would like, the Housing Authority appears to be moving approximately 40 people per month through the tenant-based LRSP program – in addition administering all of its other programs. Funding levels for this program should at least be maintained with a focus on finding ways to allocate the vouchers more quickly and to utilize them in more District neighborhoods. If we need additional resources to accomplish these goals, we should consider increasing the District's contribution to the Housing Authority budget.

- ***FULLY FUND PERMANENT SUPPORTIVE HOUSING***

The Permanent Supportive Housing program has proven to be one of the District's most effective programs for housing our most vulnerable residents. The voucher program for single adults has provided the Department of Human Services with a tool for finding existing housing for people who are struggling with homelessness and other issues that require ongoing services. The inclusion of PSH units in the Consolidated Request for Proposals process at the Department of Housing and Community Development creates new housing units for this same population of

residents. These two avenues are critical to our shared mission of ending chronic homelessness in the District and should be fully funded in the FY 2018 budget.

TRANSPORTATION

- ***EXPAND KIDS RIDE FREE TO INCLUDE ADULT LEARNERS
\$2 million in recurring funding***

The Deputy Mayor for Education recently released the results of a working group, which specifically recommended expanding the Kids Ride Free program to include adult learners. The existing Kids Ride Free program offers free bus and Metro access to students enrolled DC's public schools and public charter schools, but this benefit is only available until the age of 22. The report released by the DME estimates spending an additional \$2 million by expanding the Kids Ride Free program to all adult learners in publicly funded educational programs, regardless of age, will remove a significant barrier to learning and greatly improve the effectiveness of the programs – and the investment.

According to DC Fiscal Policy Institute, adults without a high school credential are seven times more likely to live in poverty than those with that credential. In addition, despite the fact that the District's economy is thriving, about 60,000 adults in the District lack a high school diploma or the equivalent. The District has recognized this problem, and chosen to invest \$80 million a year in adult education programs. Unfortunately, residents who want to take advantage of those programs still face a significant barrier: having the money to pay for transportation to get to them. I ask that you fund this relatively small amount of money in the coming year's budget.

- ***WMATA FUNDING, INCLUDING BUS RAPID TRANSIT SUCH AS 14th STREET EXPRESS BUS LINE***

As we grow as a city, we also need to be increasing our transportation options. Metrorail continues to be the lifeblood of the city, bringing hundreds of thousands of people into the District every day. However, Metro does not go everywhere, leaving crucial transportation gaps throughout the District. Express buses, especially in our most crowded corridors, can provide extraordinary return on investment.

Last year, the Council funded the G9 express bus along Rhode Island Avenue, which is slated to begin next month. This year, let's expand upon that by funding a similar line on 14th Street NW. This express route, which is supported by many of the local ANCs and councilmembers, would be a relatively affordable way to increase transportation service in a busy, and thriving, corridor. WMATA also recommended creating this route in a study from several years ago, but never implemented it. Given that almost 15,000 people ride the existing crowded 14th Street buses, and this crowding only pushes more residents into the also-crowded 16th Street routes, we should fund the 14th Street route in next year's budget.

HUMAN SUPPORT SERVICES

Our human support services are some of the most important ways we help our most vulnerable District residents. Your decision to close DC General and replace it with neighborhood shelters across the city will go a long way towards improving our homelessness system, as will your support of the Homeward DC plan. I am confident that we are well on our way towards our goal of ending homelessness as we know it in our city. However, my primary concern is that we do not underestimate the budgetary need for this effort, and that we make sure our agencies have the resources necessary to make an impact on the lives of our most vulnerable residents.

Strengthening Existing Programs

- ***MAINTAINING THE TANF SAFETY NET***

\$30 million in recurring funds

We both know firsthand the impact our TANF program has on families that are struggling. While the administration of TANF has had problems in the past, Director Zeilinger has made tremendous progress in her short time at the Department of Human Services. I strongly support the plan proposed by the TANF Working Group, and I hope you will fully fund its recommendations. This is not only the right thing to do; it is also the economically smart thing to do. Families that have the security provided by TANF are more likely to have children that go to school ready to learn and get a strong start on a pathway to the middle class. With an appropriate exemption policy and enough funding to support these continued efforts, we can make our TANF program one of the best in the country and put TANF recipients on a path to independence.

- ***LONGER HOURS FOR DPR POOLS AND FITNESS CENTERS***

Approximately \$5 million in recurring funds

I want to thank you for your efforts last year in expanding the hours for our outdoor pools. In the oversight hearing on DPR, Director Anderson announced we had the largest crowds ever for our pools last year, with thousands more residents enjoying the expanded hours. I hope we can build on this success to open the pools even earlier, especially so that parents of young children can enjoy the benefits of our great outdoor pool network. I would also ask that we expand our fitness center hours. I again applaud your action waiving all fees for residents at our fitness centers, which has gone a long way to increasing their usage. Unfortunately, these centers are not open before many people go to work—which fitness experts say is the best time to make fitness a routine. Expanding the hours for these facilities would have a relatively small cost, but would have an outsized benefit.

PUBLIC SAFETY AND JUSTICE

The best public safety programs are those that are community- and evidence-based. We have spent too long increasing our prison population, without focusing on what actually makes residents safer.

New Initiatives

- ***FULLY FUND THE NEAR ACT***

- ***\$6 million in recurring funding***

The Council has taken a number of steps to increase public safety over the past several years, the most prominent of which was the unanimous passage of the Neighborhood Engagement Achieves Results Amendment Act of 2016. As the bill's committee report noted, "the overwhelming majority of serious violent crime is committed by a relatively small group of offenders." The NEAR Act takes a comprehensive, evidence-based approach to reducing crime by identifying and working with this group. Among other things, it establishes an Office of Neighborhood Safety and Engagement, to work with high risk individuals; encourages public health methods to prevent the spread of violence; and improves existing data collection requirements, to provide better information on the crime trends in the District. While the Council passed the bill last year, unfortunately, key sections remain unfunded. We should fully fund the NEAR Act to provide community-based public safety programs for our residents.

I look forward to discussing these and many other issues in the coming months. Please do not hesitate to contact me with any questions.

Sincerely yours,



Elissa Silverman
D.C. Councilmember, At-Large