

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

Memorandum

May 21, 2013

TO: All Councilmembers

FR: Chairman Phil Mendelson

RE: Circulation of the Council's Fiscal Year 2014 Budget and Financial Plan and
Fiscal Year 2014 Budget Support Act

Dear colleagues,

With this circulation of the Committee of the Whole's Report and Recommendations on the Fiscal Year 2014 Budget and Financial Plan, we have neared the end of a long and arduous process of review and analysis. I want to extend my thanks to all of you and your staff for your many hours of hard work on the budget proposal.

Through our combined efforts, we have created a budget proposal that provides vital funding for many of the most pressing needs of the District. In addition to the commendable investment that the Mayor has proposed for affordable housing and in other areas, we have found efficiencies and savings sufficient to implement key initiatives and programs for seniors, tax relief, homeless services, truancy prevention, transportation and the arts.

To improve the quality of life for our elderly population, the Council is increasing the budget of the Office of Aging by more than \$3.5 million in operating and \$1.5 million in capital, to fund social workers, meals for the homebound, and transportation. The Council is also increasing the budget for the Housing First program for the elderly, funding Senior Housing Modernization grants, and funding the tax reforms of the in Age-in-Place and Equitable Senior Citizen Real Property Act to help keep our elderly residents in stable and affordable housing.

The budget that we are circulating also provides tax relief in other areas. For example, to address the rising cost of housing on lower-income and working-class District residents, we are funding the Schedule H Property Tax Relief Act, which provides an income tax credit of up to \$1,000 for low-income residents. To help promote economic development, the Budget Support Act includes the Title-Holding Entity Real Property Tax Exemption Act, which allows projects sponsored by non-profit groups to utilize federal subsidies and still maintain their local tax-exempt status. We also fund direct property tax relief for a number of affordable housing projects such as the Jubilee Housing Residential Rental Project.

The Council is funding a number of additional programs to bolster our social safety net in the FY 2014 budget, including services for the homeless and other vulnerable residents. The Council is funding the Temporary Assistance for Needy Families Time Limit Amendment Act to help families caring for a child with a physical or mental disability, victims of domestic violence, families where the adult is elderly, families in which the parent is a minor, and families in which the parent is enrolled in an approved training or GED program. The budget includes funds for a pilot program for emergency rental assistance and rapid-rehousing for singles. We also increase funding for the Homeless Services Continuum, Permanent Supportive Housing, Local Rent Supplement and several other effective safety-net programs.

Recognizing the ongoing issue of truancy as both a human services concern and a public safety matter – truancy being a strong indicator of future delinquent behavior by juveniles – the Committee increases the budget for the Justice Grants Administration by \$1 million to fund grants to neighborhood collaboratives that will intervene with children who are chronically truant. And, to establish better enforcement of our truancy law, we identified sufficient funding to implement the Attendance Accountability Amendment Act of 2013.

The Council is also funding wide-ranging improvements to transportation infrastructure and services for Fiscal Year 2014 and beyond. We are directing additional operating and capital funds to the District Department of Transportation to extend Circulator routes, expand Circulator service, and enhance bus transit operational efficiency. In an effort to encourage expansion of Capital Bikeshare, the Council is directing \$400,000 for new Bikeshare stations. Additional funding for the DC Taxicab Commission will increase the number of wheelchair accessible public vehicles-for-hire in the District. New revenues from commuter buses will be used to fund a portion of the new Bus Efficiency and Enhancement Project, and the extension of the sales tax will be directed to finance the WMATA Momentum project. For both transportation and revitalization purposes, we are investing in streetscape enhancements for Kennedy Street, public space improvements in performance parking zones, implementation of the Rhode Island Avenue Small Area Plan, and the rehabilitation and repair of alleys throughout the District.

Our work to revitalize the District does not end there. We are buttressing the District's creative sector and cultural life by dedicating up to \$22 million of incremental new sales tax revenue to provide a stable revenue stream for the Commission on the Arts and Humanities.

In the interest of transparency, for the first time, all of these initiatives are described in detail in the Committee of the Whole's reports on the Fiscal Year 2014 Budget Request Act and the Fiscal Year 2014 Budget Support Act. I particularly commend to your attention the Budget Request Act report, which provides a full description of all Council-initiated modifications to the Mayor's proposed budget.