



GETTING THE JOB DONE

FY 2009 BUDGET AND FINANCIAL PLAN - HIGHLIGHTS

This proposal represents the District of Columbia's 13th consecutive balanced budget.

The national economy is changing, and it is more important than ever to make government more efficient. We have met this challenge while lowering taxes and enhancing critical services. Significant improvements are still in store in the areas of **education; public safety; jobs, economic development and affordable housing; healthcare and human services; infrastructure and environment; and government operations and financing.**



ADRIAN M. FENTY
MAYOR

This is a \$9.4 billion (\$5.7 billion in local funds) spending plan. More than ever, the Administration will economize the way the District Government works and do more with less. Typically, the starting point for a proposed budget is the previous year's funding level for services plus increases for salaries, fixed costs and financing. This alone would have reflected a 5.7% growth. But the FY 2009 budget limits growth to less than 1%.

We will eliminate vacancies for non-critical positions, curb fixed costs and reduce the cost of our financing obligations. At the same time, we continue to propose tax relief for low-income residents, small businesses and owners of commercial real estate.



Education

The key to our future as a healthier city, as a competitive city, and as a dynamic and thriving city – is the education of our children. No single priority of this government is more important.

This budget proposal includes \$773 million in funding for the **District of Columbia Public Schools**, with \$532 million targeted to the schools themselves – an increase over the FY 2008 level of \$493 million. However, the overall DCPS Local Education Agency budget reflects a modest 3 percent growth over FY 2008 funding. Perhaps the most exciting development is the Administration’s commitment to providing richer academic programs to every school. Chancellor Michelle Rhee plans to consolidate resources in fully-functioning schools instead of spreading them out across buildings that are underutilized. This will yield the following increases in personnel:



- Art teachers (89% increase)
- Full-time music teachers (72% increase)
- Physical education teachers (18% increase)
- Pre-K and Head Start teachers (98% increase)
- Social workers (419% increase)
- School psychologists (180% increase)
- Literacy and math coaches (increased to 180; none budgeted in FY 08)

The Administration will make steady progress toward its goal of universal pre-Kindergarten for all students. Beginning in FY 2009, the school system will expand its services for 3- and 4-year-olds, ensuring over 5 years that every DCPS elementary has a quality early childhood program. Chancellor Rhee will develop rigorous professional development and an assessment and intervention model to support teachers and schools in reaching a higher quality level.

Also in 2009, DCPS will expand its extended learning opportunities. The Saturday Scholars program will now include middle- and high-school students. The Extended Day after-school program will grow from 88 schools to all schools. And the number of students taking part in summer school will increase.

The **District of Columbia Public Library** will receive \$23.2 million (totaling \$169 million over a 6-year plan period) for facility renovations and construction of the new Anacostia, Benning, Tenley-Friendship, Watha T. Daniel-Shaw and Georgetown neighborhood branch libraries.

Public Safety



A safer city requires tough enforcement of criminal laws. But law enforcement goes beyond lights and sirens, and beyond arrest and incarceration.

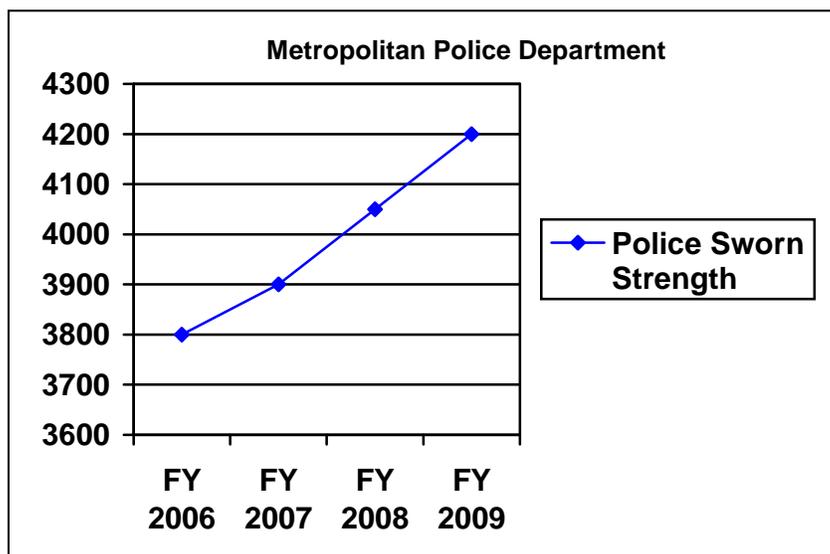
We plan to continue investing in frontline personnel and technology. The Administration's FY 2009 budget proposal includes an additional \$6.5 million in salaries, benefits and equipment for the **Metropolitan Police Department** to reach 4,200 sworn officers and \$763,000 to civilianize 12 evidence technician positions. This will put more officers on the street and begin building a professional staff for the

new Consolidated Forensic Laboratory, scheduled to begin construction in 2009.

In an effort to improve public safety response times and ensure information sharing across field units and dispatchers, more than \$7.7 million will be invested to increase the number of patrol units and **Fire and Emergency Medical Services** vehicles equipped with Mobile Data Terminals, to replace outdated radios, to improve the **Office of Unified Communications** telephony and voice logging recording system and to enhance a number of data systems.

The budget includes \$3.6 million to implement the recommendations of the Task Force on Emergency Medical Services, including the Street Calls program. This initiative directs repeat 911 callers to more appropriate preventive medical services and frees personnel and equipment to respond to legitimate emergencies. A new paramedic training curriculum is also planned.

Finally, we are proposing \$1.5 million to create 96 units of safe supportive housing for victims of domestic violence. This is a collaborative project among the **Office of Victim Services**, the Department of Housing and Community Development, and non-profit service providers. The current practice is to provide hotel rooms for victims.



Jobs, Affordable Housing and Economic Development

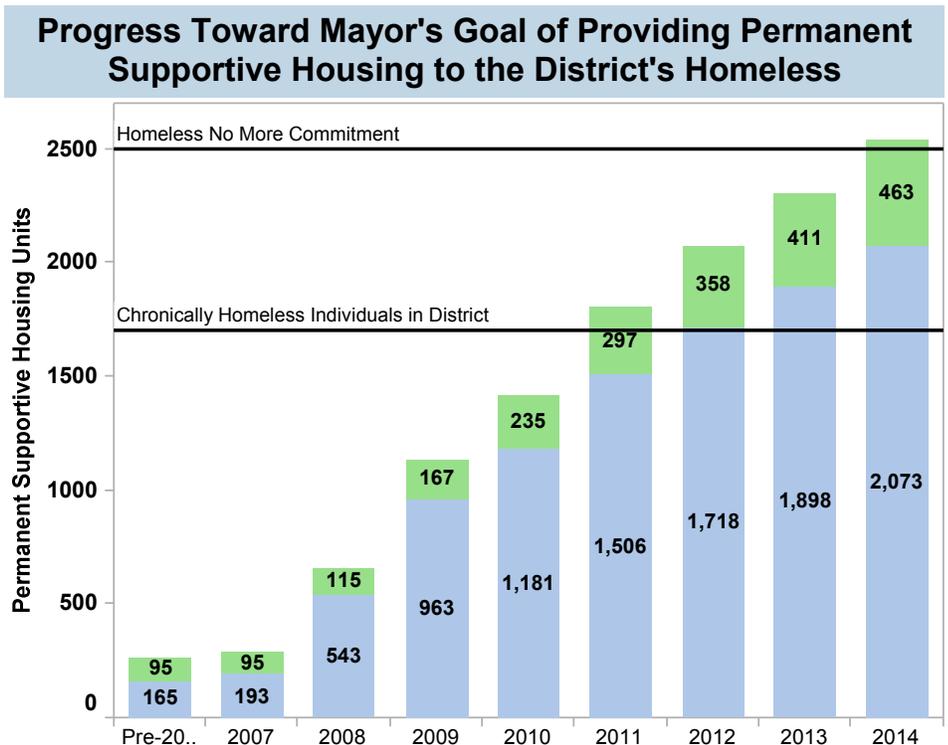
Rebuilding District neighborhoods responsibly requires a commitment to preserving and expanding affordable housing – and capturing prosperity in the form of job opportunities for District residents. The Fenty Administration will continue pursuing these priorities in the coming year.

The FY 2009 Mayor’s Budget seeks to preserve and expand affordable housing despite the downturn in the regional housing market. A total of \$60.8 million is committed for this purpose. A key piece of our strategy is the creation of a Unified Housing Fund, which combines a number of discrete funds and provides the **Department of Housing and Community Development** with the flexibility it needs to effectively respond to the volatile housing market. Included in the Unified Housing Fund is the Home Purchase Assistance Program, which offers down payment and closing-cost assistance to first-time homebuyers. We anticipate 500 more residents will achieve their dreams of owning a home in FY 2009 due to an infusion of \$19 million in local funds. Further, we will resurrect the Land Acquisition for Housing Development Opportunities program in FY 2009 after more than 10 years of dormancy. This program provides long-term lease-back or low-interest loans on District-owned land to help developers buy land for low- to moderate-income housing. An investment of \$10 million will create 37 to 72 affordable units.



The District will invest \$19 million to create a Housing First Fund to provide vulnerable homeless residents with supportive services and housing assistance. This Fund will enable the District to embrace a “housing first” approach to addressing homelessness by immediately aligning resources essential to simultaneously meet the service and housing needs of the homeless.

The **Office of the Tenant Advocate** plans to invest \$150,000 from condominium conversion fees to build a searchable online database of decisions and orders of the Rental Housing Commission and Office of Administrative Hearings.



This administration is committed to finding opportunities for the District’s underemployed. The District’s Summer Youth Employment Program had its most successful year in decades last summer. We plan to build

on that success by investing \$6.9 million to allow the **Department of Employment Services** to hire up to 20,000 young people and expand the program from 6 to 10 weeks. DOES will also add \$5.9 million to eliminate the waiting list for its Transitional Employment Program, which provides high-quality job training.

Last summer, the District Government unveiled its redesigned permit center at the **Department of Consumer and Regulatory Affairs**. We have brought the many District agencies involved in permitting and licensing into one room with a logical flow and intuitive signage. This year, we plan to add \$500,000 to DCRA's budget to standardize and extend the exchange of information with other agencies. The agency will also restructure its business license fees.

Healthcare and Human Services



A healthy city requires access to quality care for all, and supportive services for those in need. The Administration will build on its successes in the last year and continue improving the health and well-being of all District residents.

The proposed FY 2009 Budget makes targeted investments to address some of the District's most chronic social service challenges. The **Department of Health** plans new investments in combating HIV/AIDS, childhood obesity, substance abuse and diabetes. The Department will also implement the SafeRX program to provide public information on prescription drug choices.

The new **Department of Health Care Finance** will institute intensive medical case management for high-risk patients who currently can only receive this care in institutional settings. This will allow recipients to take advantage of timely care while remaining in their homes, and save taxpayer dollars. We estimate this will affect approximately 1,000 seniors in the District. Importantly, DHCF will also invest \$2.5 million to increase primary care rates in the DC HealthCare Alliance for the first time since that program's inception in 2001.

Our **Child and Family Services Agency** plans to spend \$4.5 million on kinship care, to help eligible relatives (including grandparents) meet the needs of children for whom they provide care – keeping them out of the foster care system. The agency will also increase access to mental health services for children through clinical and therapeutic interventions by investing \$2.5 million.

This fiscal year, we plan to make the District Government more accessible to people with disabilities. We will provide sign language interpreters and real time captioning for meetings with people who are deaf, Braille materials for people who are blind, and assistive technology for employees with various disabilities. By centralizing this funding, DC agencies will be encouraged to hire people with disabilities and include people with disabilities in all programs. The **Office of Disability Rights** will also implement an accessible taxi service pilot in the District.

Additional funding of \$5.2 million will enable the **Department of Disability Services** to continue moving people with developmental disabilities from highly restrictive settings into homes of their own through increased reliance on the Medicaid waiver.

The **Department of Mental Health** has proposed an investment of \$5 million for immediate infrastructure improvements at St. Elizabeth's Hospital. The Department will also receive \$24.8 million toward the construction of a new, state-of-the-art mental health facility. The department also plans to increase acute care admissions by 15 per month, expand mobile crisis services, and expand school-based mental health care.

Infrastructure and Environment

The Mayor's Budget continues investment in infrastructure maintenance and improvements while also recognizing the importance of our environment, parks, and recreation facilities. One major change is the consolidation of the District's lead hazard program into the **Department of the Environment**. Through a Center for Disease Control and Prevention grant and a District investment of \$550,000, we will create a team of 12 professionals at DDOE dedicated to preventing lead poisoning through the elimination of lead exposure hazards in the District's housing stock and the enforcement of the District's lead laws. DDOE also plans to scale up its support for the Green Building Act, its response to emergencies, and incentives for home and business owners to reduce their stormwater runoff.



Additional efforts to promote a healthy environment and reduce costs include a citywide reduction of vehicles and implementation of alternatives such as car sharing and a vehicle allowance. Further, the **Department of Public Works** will build on its success in converting all District Government heavy vehicles to ultra-low-sulfur diesel fuel in 2007 by switching this fuel with B20 fuel (which is 20% bio-diesel fuel, such as vegetable oil). This will reduce fleet emissions and improve air quality.

The **Department of Transportation** will improve pedestrian safety by increasing the number of traffic control officers by 27 percent for deployment at high-hazard or congested intersections. DDOT will increase the number of school crossing guards by more than 75 percent, enabling the department to provide crossing guards at all public elementary schools and expand the program to serve public charter schools. DDOT also plans a new Metro Extra route on 16th Street and expanded service on H Street, NE. For upgrading and maintaining infrastructure, DDOT will receive \$60 million (projects totaling \$367 million over 6-year plan period) for street, alley and lighting improvements.

The **Department of Motor Vehicles** will offer District residents the option of SmarTrip technology in their driver's licenses and ID cards, making the Metro system even more convenient. The Department will also install automated kiosks at locations throughout the District, reducing the need for visits to service centers.

The **Department of Parks and Recreation** will receive \$55.8 million for renovations to recreation centers, playing fields, tennis courts, pools and other facilities (totaling \$270 million over 6-year plan period).

Government Operations and Finances



For the District Government to continue to succeed, it must operate more like a business. This means maximizing efficiency, economizing resources, and providing the best return possible for stakeholders (District residents). We continue to pursue nationwide best practices as we work toward smarter, better government.

This budget proposal includes a number of improvements in the way the District Government will operate in FY 2009, with an emphasis on reducing costs and improving efficiency. The **Office of the Chief Technology Officer** is leading a citywide effort to dramatically cut the amount of paper documents used across the government, reducing our impact on the environment and the need for storage. OCTO will create a centralized scanning center with the goal of digitizing 40 million documents by the end of the fiscal year. Over \$7 million in capital and operating funds will be available for this effort.

The Office of Property Management will receive \$4 million to take over maintenance of the buildings affected by the upcoming DCPS school consolidation. **The Office of Planning** will then work with communities to determine alternative uses for the buildings, including repurposing some of them as District Government offices. This will move more of our employees out to the neighborhoods, closer to the residents they serve, while preserving the option of converting the buildings back to schools if future enrollment requires their use.

The current retirement system for District Government employees is restrictive for vesting, and many employees set aside nothing for their retirement. This year, the **DC Department of Human Resources** will receive \$750,000 to create a more robust retirement plan – including a government contribution – for employees other than police, firefighters and teachers who are covered by a different retirement system.

Conclusion

This budget proposal is the product of 15 months of analysis of every District Government agency, with an eye toward cost savings and service improvements. We believe it is possible to deliver the services our residents expect and deserve while protecting their investment in their government. The end result is a budget that provides service improvements with reduced costs, and targeted tax reductions.

Working together with our partners on the Council of the District of Columbia and the constituents we serve every day, we will certainly continue getting the job done.

Total Local Expenditures, by program
FY 2009 \$5.66 Billion

