

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Small and Local Business Development



Fiscal Year 2020 Budget Oversight Hearing

Testimony of
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Director

Before the
Committee on Business and Economic Development
Kenyan McDuffie, Chairman
Council of the District of Columbia

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Room 500
John A. Wilson Building
1350 Pennsylvania Avenue, NW
Washington, D.C. 20004



Good afternoon, Councilmember McDuffie, members of the Committee, and Committee staff. I am Kristi Whitfield, Director of the Department of Small and Local Business Development (DSLBD). I am pleased to testify before you today.

Last month, Mayor Bowser presented “A Fair Shot,” the Fiscal Year 2020 (FY20) Budget and Financial Plan, the District’s 24th consecutive balanced budget. This budget does more to make Washington, DC a place where people of all backgrounds and in all stages of life are able to live and thrive by making key investments in affordable housing, infrastructure, education, health and human services, economic opportunity, seniors, and public safety. These investments reflect the key priorities identified by District residents at the Mayor’s Budget Engagement Forums and Telephone Town Halls held during the budget formulation process.

As you are well aware, DSLBD’s mission is to support the development, economic growth and retention of District-based businesses and promote economic development throughout the District’s commercial corridors. This budget is a testament to the Mayor’s extensive community engagement and consideration of small business priorities. Moreover, it is a budget that reflects the values of the District of Columbia.

The Mayor’s FY20 Budget for DSLBD is \$14,757,344, including \$14,286,164, in local funds and \$471,180 in federal grant funds. In FY20, we will continue provide support to District businesses by supplying them with the resources and workshops needed to renew, restore, rebrand and compete in the ever-evolving business environment.



This budget supports signature existing programs at the agency and allows DSLBD to continue to engage and empower small and local businesses at every stage of the business lifecycle.

The FY20 budget will allow DSLBD's Business Opportunities Division to continue its hyper focus on supporting Certified Business Enterprises (CBEs) by offering small businesses classes, training, technical assistance and advocacy to promote greater participation in local, federal, and private sector opportunities. For example, our advocacy with agency partners and Council resulted in 100 percent CBE or DSLBD Certified Joint Ventures participation in the Program Management Services contract for DC PLUG.

One of the important ways DSLBD supports residents is by ensuring that they have access to great shopping districts, and we have delivered on this goal. The Commercial Revitalization Division supports locally-owned retail businesses located in designated commercial corridors and throughout the city. Programs under Commercial Revitalization include DC Main Streets, the oversight of Business Improvement Districts (BIDs), the Healthy Food Retail Program, and the Clean Teams. The Mayor's FY20 budget ensures that District residents will benefit from strong shopping areas because of continued funding for Clean Teams and Main Street initiatives.

Currently, the 33 Clean Teams are responsible for cleaning and maintaining 52 miles of commercial public space in the District of Columbia. Last year, these teams collected roughly ten million pounds of litter and recyclables and abated graffiti from 8,600 properties. Clean Team funding continues to support 112 jobs for District residents, and it enables every crew member to earn a living wage.



Also in FY20, DSLBD will continue its support of Art All Night, one of DSLBD's stunning commercial revitalization success stories. According to post-event evaluation, this event has a dramatic impact across the District by generating an extra \$1.6 million in enhanced spending, in Shaw alone, and an estimated \$600,000 in new tax revenue for DC Government over the course of the exciting night.

The Mayor and DSLBD are committed to reducing barriers to entrepreneurship through the Aspire to Entrepreneurship and Dream Grants programs. Aspire continues to mature and expand through evening and weekend programming called Aspire Side Hustle. This new format increases access to entrepreneurship training for those shut out by the commitment that a full-time program requires and also creates space for alumni to continue to engage with the Aspire program. Growing a business is difficult and Aspire Side Hustle is there to provide support no matter where a returning citizen is in the process. Through Aspire, we have launched "We Aspire" grants to build and grow the ecosystem of returning citizen businesses. Returning citizens businessowners and organizations that support returning citizen businesses can apply for grants to invest in their business. The Mayor's budget has allocated \$250,000 to continue these initiatives. After three years of Aspire programming, we continue to see the positive impact of entrepreneurship support leading to a zero percent recidivism rate for program graduates.

The Innovation and Equitable Development Division also operates the Dream Grants, a hugely impactful investment in Ward 7 and 8. Residents of these Wards applied for up to \$10,000 in funding to start or sustain their business. Since 2018, 34 grants totaling \$300,000 have gone directly to micro-businesses and increasing opportunities for economic success. The Mayor's FY20 budget has allocated \$200,000 to continue the Dream Grants.



Over the past three years, DSLBD's Made in DC program has become a proven staple in the District's business community. Supporting local business is a mayoral priority, and Made in DC helps amplify local buying power. In FY20, we will continue to create access to new markets in innovative ways. Currently, we are working to finalize an exciting partnership with the Metropolitan Washington Airports Authority that will allow vending opportunities for Made in DC members at DCA starting this summer. This partnership will provide local makers with the space and opportunity to promote and sell their unique, District-made products to an ever-broadening audience of visitors and tourists to the District. Through this partnership, we will put money in the pockets of DC businesses and provide support to our DC maker community that will continue to expand and diversify economic growth in the District.

In closing, the resources allocated to DSLBD will play a critical role in fostering a business-friendly ecosystem to boost our businesses and support residents' efforts to reach and remain on the pathway to the middle class. The Council and this Committee are critical allies in this effort, and I appreciate your work to ensure we operate efficiently and effectively. I look forward to our continued work together to achieve our shared goals and give all residents a fair shot to benefit from Washington, DC's continued prosperity.

Thank you for the opportunity to testify today. I look forward to answering your questions at this time.

