



CNHED

Coaliton for Nonprofit Housing & Economic Development

FY2025
**BUDGET
RECOMMENDATIONS**

Economic Development



Prepared on January 24, 2024

Budget Recommendations

FY2025

Last Updated: January 24, 2024



		FY22 Council Approved	FY23 Council Approved	FY24 Council Approved	FY25 CNHED Recommendations	FY25 Mayor's Budget	FY25 Approved
SMALL BUSINESS, COMMERCIAL CORRIDORS & ACCESS TO CAPITAL	Small Business Assistance	Small Business Technical Assistance	\$4.2M	\$4.12M	\$4.128M	\$4.2M	
	Neighborhood Commercial Corridors	Main Streets	\$5.035M	\$4.982M	\$6.256M	\$5.9M	
		Commercial Clean Teams	\$6.843M	\$6.956M	\$6.744M	\$6.75M*	
		Aspire Program			Not available yet	Not available yet	
		Economic Development	Robust Retail (RR) and Dream Grants	\$500K	\$500K	\$1.1M	\$1.2M <small>(\$500K RR & \$600K Dream grants)</small>
	Employment	Great Streets	\$6.342M	\$7.927M	\$7.150M	\$8M	
		Access to Capital Loans	\$169K	\$169K	\$169K	Not available yet	
		Commercial Acquisition Fund	\$4M	\$4M	\$6M	\$6M	
WORKFORCE DEVELOPMENT	ADULT TRAINING	Workforce Investment	\$21.6M	\$22M	\$3.051M	\$5M	
		Career Pathways Innovation Fund	\$1.65M	\$1.65M	\$1.65M	\$1.65M	
		Healthcare Workforce Partnership	\$250K	\$250K	\$200K	Not available yet	
		Adult Services <small>(Includes digital literacy training at DC Public Library locations)</small>	\$795K	\$727K	\$799K	\$800K	
NOTES	*Maintain increase of \$22,620 to support living wages for the Clean Teams crew at a rate of \$17 per hour.						



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CNHED Economic Development Recommendations for FY25 Budget Support Act

As the Council of the District of Columbia embarks upon the crucial task of shaping the budget for the upcoming fiscal year, we at the Coalition for Nonprofit Housing and Economic Development (CNHED) wish to offer our insights, recommendations, and unwavering support in navigating these challenging times.

About CNHED

Established in 2000, The Coalition for Nonprofit Housing & Economic Development is a dynamic 501(c)3 membership-based nonprofit that advances equitable community economic development solutions in District of Columbia. Since our inception, CNHED has grown from 55 organizations to nearly 180 today. Our holistic systems-change approach encompasses community-informed budget and policy advocacy, data-driven thought leadership, and needs-based programmatic initiatives in the areas of Housing and Homelessness, Workforce Development, and Small and Minority-owned Business Ecosystem Building. CNHED's organizational members include nonprofit and for-profit affordable housing developers, housing counseling and service agencies, community economic development organizations, workforce and business development entities, lenders, intermediaries, and government agencies.

Executive Summary

CNHED anticipates that the Mayor's proposed FY 2025 budget once released will reflect an austere budget landscape requiring tough tradeoffs. In light of the current fiscal challenges, including the end of federal relief assistance and the impacts of high vacancies and lower revenue projections, CNHED stands ready as a partner beside the Council and administration. As we approach this fiscal year, CNHED acknowledges the difficult choices ahead due to shifting revenue projections. While we have adjusted some of our recommendations accordingly, we strongly urge the Council to prioritize investments in our residents disproportionately affected by the pandemic and the programs that support them.

In the forthcoming narrative, we will detail our budget recommendations for various programs, providing an overview of each program's importance, the overall need, and our rationale for the budget numbers proposed. Furthermore, CNHED and our membership extend an offer to partner with the District government in these trying times. We are committed to helping improve program design, develop process improvements, and correct historical injustices, thereby benefiting the under-resourced residents of the District.

Together, we can build a more inclusive, equitable, and prosperous future for all residents of the District of Columbia.

----- Small Business, Commercial Corridors and Access to Capital

Small Business Support Technical Assistance (SBTA)

FY25: \$4.2M

CNHED is requesting the Mayor to commit \$4.2M in the FY 2025 budget to support the Small Business Technical Assistance (SBTA) program, managed by the Department of Housing and Community Development. The SBTA program provides technical assistance, training, and advisory services to small businesses in the District. This program ensures small businesses have access to guidance, resources, and information to plan, start, and grow their business successfully. SBTA grantees also offer small business owners a broad range of support, including planning, micro-loan packaging, entrepreneurial assistance, and legal assistance. This program primarily targets underserved neighborhoods in low- and moderate-income areas. Neighborhoods benefiting from this investment include but are not limited to Anacostia, Columbia Heights, Congress Heights, Brightwood Park, Mount Pleasant, Petworth, and Bladensburg.

Sustaining this signature program will enable SBTA grantees to continue offering essential services to local micro-and small businesses, especially Black and Brown businesses. This program is impactful and plays a pivotal role in the District's small business ecosystem.

Great Streets Initiative

FY25: \$8M

CNHED requests the Mayor to commit an additional \$8M in the FY2025 budget to support the Great Streets Initiative. The Great Streets Initiative catalyzes small business growth and improves the District's neighborhood commercial corridors. As the District begins to implement its Comeback Plan, there remains an increased need for these grants. In addition, robust neighborhood business districts spur economic opportunities for small businesses, entry-level jobs, and convenient access to goods and services for neighborhood residents. All these benefits help improve the quality of life for residents. In the form of reimbursable grants, the capital improvement dollars of up to \$50,000 allow small businesses in designated neighborhoods to invest in buildouts and renovations, equipment upgrades, and façade improvements. Great Streets also addresses the unique challenges of small businesses in their ability to make capital improvements that will sustain and grow their business

Robust Retail Citywide & Dream Grants

FY25: \$1.2M (\$500M for Robust Retail Citywide and \$600K for Dream Grants)

In the FY2025 budget, CNHED requests the Mayor provides \$600K to support the District's Dream Grants, and CNHED requests the District includes \$500K Robust Retail Citywide Grant. The Dream Grants is a micro-grant program that provides business development assistance to help eligible businesses in Ward 7 and Ward 8 grow. The Robust Retail Citywide grants help support existing DC-based retail businesses maintain operations and viability to sustain businesses as they continue to rebound. This reimbursable grant program awards up to \$5K to eligible small businesses to help with storefront improvements to purchase of much-needed equipment.

Main Streets & Commercial Clean Teams

FY25: \$5.9M and \$6.75M

Main Streets program is a comprehensive program that promotes the revitalization and sustainability of neighborhood business districts. *CNHED requests the Mayor's FY2025 budget include \$5.9M for the Main Streets program and requests Council commit \$6.75M for the Commercial Clean Team program, which will help cover the gap to provide or exceed the living wage.* The District's Main Streets program supports the operation and programming of 28 corridor organizations. These front-line organizations are vital to small businesses and serve as a liaison to the District, and each corridor manages its unique challenges. Increasing funding for the Main Streets program. As a complement to the Main Streets program, the Commercial Clean Teams program employs residents. It provides service delivery to enhance the clean-up along and around the District's designated corridors. This program is invaluable and greatly needed in building and sustaining the neighborhood commercial corridors.

Commercial Property Acquisition Fund

FY25: \$6M

CNHED requests the Mayor commits \$6M in the FY2025 budget to support the District's Commercial Property Acquisition Fund. Addressing longstanding access to capital challenges for socially disadvantaged small businesses, this fund provides down payment assistance to purchase commercial property in the District to help combat commercial displacement impacting small businesses Districtwide.

----- Workforce Development | Adult Education

Workforce Investment

FY25: \$5M

CNHED is looking for the Mayor to invest \$5M to support the District's Workforce Investment Council (WIC), and equipping it with the resources it needs to create workforce policy, establishing the District's statewide WIOA plan and developing innovative solutions to address the needs of employers.

Career Pathway Innovation Fund

FY25: \$1.65M

CNHED is asking the District to fund the Career Pathways Innovation Fund (CPIF) to support the capacity building of local adult charter schools and other qualified high school credentialing programs for adults. In addition, the District should continue investing in the Career Pathways Innovation Fund to support the implementation of approaches and best practices that demonstrate positive results in adult education and family literacy.

Adult Services (Adult digital literacy training) | District of Columbia Public Library

FY25: \$800K

We're asking the District to commit \$800,000 in the FY2025 budget towards digital training under Adult Services for the DCPL. Funding for digital literacy training for the District of Columbia Public Library (DCPL) will help meet the overwhelming need to close the District's digital divide.