THE COALITION

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FY2026

BUDGET RECOMMENDATIONS

Affordable Housing and Homelessness Prevention

Economic Development

June 2025 | Version I

THE COALITION

FY2026 BUDGET RECOMMENDATIONS

Affordable Housing & Homelessness Prevention

PROGRAM		FY24 COUNCIL APPROVED	FY25 COUNCIL APPROVED	FY26 MAYORS BUDGET	FY26 COALITION RECOMMENDATIONS	FY26 COUNCIL APPROVED
Housing Production Trust Fund (HPTF)		$100M	$80M	$100M	**$110M**	
DC Housing Preservation Fund (HPF)		$0M	$2.5M	$0	*****	
First Right to Purchase Program (FRPP)		**	**	$0	**$10M**	
DC Low Income Housing Tax Credit (DC LIHTC)			$3.575M		**$3.575M**	
Home Purchase Assistance Program (HPAP)		$18.34M	$31.2M	$23M	**$31.2M**	
Empoyer Assisted Housing Program (EAHP)		$6M	$5M		**$5M**	
Local Rent Supplement Program (LRSP)	*Project- and Sponsor-Based*	$53M	$34.1M *($4.9M new LRSP)*		**$34.1M**	
Permanent Supportive Housing* **	*Single*	$4.5M *150 new vouchers*	$4.1M *148 new vouchers*	$0 *no new vouchers*	**$4.1M**	
	Family	$3.4M *80 new vouchers*	$18.5M *325 new vouchers*	$7.6M *156 new vouchers*	**$18.5M**	
Neighborhood Based Activities Program (NBAP)		$14.323M	$12.1M		**$12.1M**	
Emergency Rental Assistance Program (ERAP)		$43M	$26.9M	$5M	**$26.9M**	

* We ask for prioritization of needs for maturing loans, equal to at least the FY25 new loan fund, prior to advancing new HPF loan capacity.
** In these years, FRPP was not separately funded, but was a discretionary $10M within the HPTF allocation.
*** In solidarity with The Way Home Campaign, the focus of which is ending chronic homelessness, The Coalition supports the needs expressed by The Way Home Campaign for increased funding for PSH vouchers, outreach funds, DC Flex, storage for people experiencing homelessness, and increasing the HPTF and ERAP budgets beyond the above amount.

THE COALITION

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Affordable Housing and Homelessness Prevention Recommendations for FY26 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 (formerly CNHED) wish to offer our insights, recommendations, and support in navigating these challenging times.

About The Coalition

The Coalition is a dynamic 501(c)3 nonprofit that advances equitable community economic development solutions in the District of Columbia. 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 Business Ecosystem Building.

Since its inception in 2000, The Coalition has grown from 55 organizations to nearly 180 today. The Coalition's strength is in its convening power, highly successful advocacy, robust communications, and information sharing, and equipping its members with tools and resources for their work. The Coalition'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

In alignment with the Mayor's growth agenda, we support investments in the production and preservation of affordable housing—a proven source of jobs and economic benefits. Our budget requests focus on pairing growth and equity. We recommend prioritizing investments in affordable housing, supporting our most vulnerable populations, and enabling residents' economic success. In light of the current fiscal challenges, we stand ready to partner with the Council and the Mayor to identify effective ways to increase the impact of District funds. The Coalition further acknowledges the difficult financial choices ahead. While we have adjusted some of our recommendations accordingly, we strongly urge the Council to prioritize investments in affordable housing and the people it serves.

In the following 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, The Coalition and our membership extend an offer to partner with the District government to seek funding efficiencies and ensure DC is on a sustainable budget path moving forward.

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

Housing Production Trust Fund (HPTF)

FY26: $110 million

The Coalition recommends allocating at least $110 million to the Housing Production Trust Fund (HPTF) for Fiscal Year 2026 to address the ongoing need for affordable housing preservation and development, while allowing a portion of the funds to support needs of the existing portfolio. HPTF is the cornerstone of any long-term efforts to have permanent dedicated affordable housing in the District. Due to DC's affordable multifamily crisis, DHCD may face another year where existing properties in its portfolio need stabilization support. So that stabilization does not come at the expense of preservation and production, we ask that $10 million in HPTF be allocated for continued stabilization needs for the existing portfolio. For the remaining $100 million, we ask that DHCD dedicate at least one-third (and at most two-thirds) to preservation needs, including takeout of maturing Housing Preservation Fund loans.

The HPTF, which was established to support the development and preservation of affordable housing in Washington, D.C., plays a pivotal role in maintaining housing affordability for low- and moderate-income residents. The fund finances the construction, rehabilitation, and acquisition of affordable housing, thereby ensuring a diverse and inclusive community. The allocation will enable the production or preservation of up to 550 affordable housing units, considering an average unit cost of $200,000.

Housing Preservation Fund (HPF)

FY26: $0 new loan capacity *($2.5M for maturing loan needs)*

The Coalition requests an allocation of $2.5 million in the FY26 budget to support the existing portfolio of outstanding Housing Preservation Fund (HPF) loans. These funds could be added to the HPTF as a dedicated HPF take-out bonus or could go to HPF providers for portfolio support needs. In the former case, maturing loans that qualify for HPTF preservation funds would be eligible for additional funds. In the latter case, HPF providers could help replenish interest reserves, cover critical repair costs, and provide strategic support for properties.

The HPF was created by the Mayor and City Council in the Fiscal Year 2018 Budget Support Act at the recommendation of the DC Housing Preservation Strike Force to increase the preservation of affordable housing in the District of Columbia. The goal of the Housing Preservation Fund is to aid in achieving the policy objective of the DC Housing Preservation Strike Force: "Preserving the affordability of 100% of its existing federally and city-assisted affordable rental homes." HPF was set up as a non-lapsing fund so that any money appropriated would be continually available to fund activities necessary to preserve the affordability of housing units.

Three fund managers have been granted funds from HPF to be blended with private resources at a 3:1 private-to-public leverage ratio to create a revolving loan pool that provides short term bridge acquisition, predevelopment, and critical repair financing *as borrowers apply for and secure long-term permanent financing from other private lenders and public agencies.*

This private-public revolving loan pool has been extremely successful and become a critically important resource to preserve affordable housing that may have otherwise been lost to the market. Since HPF's inception, $48 million has been granted to the fund managers, creating a lending pool of $192 million. **As a result of the affordability covenants that accompany HPF loans, the District has effectively leveraged its resources in support of Mayor Bowser's affordable housing goals**. To date, a little over $45 million of HPF loans have been repaid and are therefore available to be lent again to preserve more units.

However, there is still over $120 million in outstanding HPF loans. As short-term loans, virtually all of these are maturing by the end of FY26. Because of the large amount of subsidy required to make most affordable housing projects economically feasible, close to 90% of the outstanding HPF loans are relying on some combination of Low Income Housing Tax Credits, Tax Exempt Bonds, and Housing Production Trust Fund awards as their permanent financing solution.

HPF loans that have matured or will do so during FY26 require approximately $84 million from a combination of LIHTC, tax-exempt bonds, HPTF, or other affordable capital sources. We estimate that maturing HPF loans will need no less than $39 million in HPTF this year.

The current portfolio of HPF loans in an extremely precarious position. The majority of these preservation projects were anxiously awaiting DHCD's FY25 Consolidated RFP to apply or reapply for the aforementioned essential sources of permanent financing. They are now hoping that FY26 will serve them better. We therefore ask that the District assist these projects in maximizing their chances of HPTF success through a dedicated HPTF bonus for such deals or covering the costs of HPF loan extensions beyond their original maturity dates, such as additional interest payments and critical repairs.

First Right Purchase Program (FRPP)

FY26: $10M

The Coalition recommends appropriating $10 million for the First Right Purchase Program (FRPP) and separating it from the HPTF. The FRPP currently has no formal application process and has for several years been a soft segregation of $10 million within the HPTF for TOPA deals. The HPTF's TOPA allocation has been discretionary, poses challenges for obtaining TOPA transaction financing in a timely manner.

The FRPP is a rolling acquisition loan fund and historically has been the primary facilitator for utilizing TOPA for either preservation of affordable rental housing or the creation of Limited Equity Cooperatives. We believe that an updated version of the FRPP would "…support the acquisition of small multi-family buildings (under 50 units) by tenant organizations and developers exercising TOPA or DOPA rights to create or preserve affordable rental or ownership housing protected by long-term covenants."[1] The Coalition hopes that FRPP can once again become an active part of the District's affordable housing strategy, with a focus on 5-49 unit properties. The Coalition's recommended changes to the FRPP are below.

First Right Purchase Program (FRPP) for small multifamily properties: The Coalition proposes to reconfigure the FRPP to enable tenant organizations to use TOPA to preserve or create affordable housing at small rental properties for which the terms of the DC Housing Preservation Fund (HPF) are not viable. Factors that impede properties' success with the HPF include high acquisition costs, low rents, high deferred maintenance needs, and the need to convert from HPF to a permanent source in the current financing climate.

A revived FRPP should be limited to multifamily properties with 5-49 units for rental or for the creation of homeownership opportunities through limited or shared equity cooperatives. Aside from incorporation into a Low-Income Housing Tax Credit (LIHTC) pool, multifamily rental properties with 5-49 units that have the above characteristics have relatively few affordable housing development financing options, representing a gap in the District's affordable housing strategy for a significant portion of its existing naturally occurring affordable housing (NOAH) stock.

Why is FRPP Necessary?

Due to the unpredictability of when residential rental properties come up for sale, having an available, affordable funding source is critical. FRPP loans provide an essential, permanent acquisition source and a path forward for challenging projects that would not score well under current Consolidated RFP criteria (e.g., small scale, high percentage of subsidy needed due to very-low incomes, very affordable rents, deferred maintenance costs, and high acquisition costs). TOPA projects often have significant numbers of low-income

[1] "Saving DC's Rental Housing Market: A report of recommendations from Mayor Bowser's Strike Force to Save DC's Rental Housing Market," p. 17.

tenants, many with household incomes below 50 percent of Median Family Income (MFI), with significant numbers below 30-40 percent of MFI. These projects often require 75 percent or more public financing due to rent limitations in serving this demographic. The FRPP is necessary to support projects for these and the following specific reasons:

- Projects may not qualify for the DC Housing Preservation Fund (HPF) or other bridge loans because they may be seen as too risky due to their limited ability to leverage private funding (high levels of needed subsidy limits their take-out options and they do not compete well in the Consolidated RFP).
- Low average incomes and very affordable rent levels do not support much debt, even at the below market interest rates offered by the HPF, and interest reserves must be relied upon to make interest payments during the bridge loan period, which adds significant additional cost to the project after two to three or more years. (The amount of subsidy required to make these types of projects viable is higher than what HPF lenders are permitted to do under their current agreements with DHCD, and the smaller unit numbers make it more challenging for HPF lenders to meet the performance targets set with DHCD in terms of number of total number of units preserved.)
- Many NOAH multifamily properties with 5-49 units have significant deferred maintenance, which makes them unsustainable during a bridge loan period without funding that far exceeds the typical lender loan to value restrictions, even beyond the 125 percent loan-to-value permitted by the HPF.
- Many quality-of-life and healthy-housing deferred-maintenance issues may not meet critical repairs criteria to be covered by the HPF or DHCD's Small Building Program. This gap in repairs funding makes these 5–49-unit properties less competitive in the Consolidated RFP based on per unit rehabilitation costs and more difficult to carry while applying through one or more RFP cycles.
- TOPA projects tend to not score well in the Consolidated RFP, even those that qualify for an acquisition loan through the HPF; without the FRPP they are at much higher risk of not securing takeout financing, limiting the ability of tenant organizations to choose a development option that would preserve or create affordable housing.
- FRPP can offer a streamlined and lower cost alternative to the Consolidated RFP by reducing the need for bridge loans and multiple application updates that can occur when trying for Consolidated RFP funds over several rounds.

Additionally, the District should make a policy decision to invest in the following kinds of projects that would not move forward without assistance from the FRPP.

Proposed Criteria for FRPP-Funded Projects
The following can apply where FRPP (or DHCD) is the sole lender, as well as to cases where FRPP leverages private financing as a subordinate lender or takes out some or all of a DHCD Preservation Fund loan.

- High level of public benefit: preventing displacement of native Washingtonians or low-income workers; preserving affordability in expensive neighborhoods; direct tenant ownership.
- Long-term affordability covenants: perpetual covenant and average rents affordable for households at/below 50-60 percent of MFI or a significant percentage at/below 30 percent of MFI.
- Limited Equity Cooperatives (LECs) or direct tenant purchase and buildings with community-based organization (CBO) participation and strong agreement with tenants (100 percent of TOPA projects that preserve affordability have CBO assistance).
- Prioritize LECs and small rental properties of 5-49 units.
- Buildings with a high level of public subsidy needed to complete the project—on average DHCD financing providing 75 percent plus of total development costs, especially where Low Income Housing Tax Credits (LIHTC) is not applicable or feasible: self-ownership/LECs, very small projects, special interest, etc.
- Projects that would not score well in the Consolidated RFP because they do not qualify for Prioritization Scoring or need a high level of subsidy.
- Projects funded under the HPF that still may not score well in the Consolidated RFP, where FRPP could leverage private financing in a take-out package.

FRPP Application Review and Underwriting
Consider outsourcing all or in part: HPF lenders could take a "first cut" review and determine whether projects are a good fit for HPF loans or a better fit for the FRPP, or DHCD could outsource underwriting of the FRPP.

If DHCD retains underwriting in-house, the following are recommendations:

- DHCD can provide Development Finance Division (DFD) loan approval letters as a basis for private bridge loans with FRPP take out within 24 months.
- Certain priority projects might close the DHCD loan within the TOPA timeline—e.g., those that cannot support bridge loan interest, or
- DHCD could provide a soft interest reserve (recoverable grant or grant to reduce total development costs) to cover bridge loan interest.

Consolidated RFP scoring criteria for projects awarded FRPP funding should be adjusted in the following ways:

- Higher priority scoring (or fast-track) in the Consolidated RFP.
- Exclude the FRPP loan in calculating the total percentage of HPTF allowed, in effect allowing a higher percentage of HPTF for TOPA projects that use or meet the criteria for FRPP; and
- Make LRSP available outside of the Consolidated RFP.

Lastly, the DHCD Preservation Unit and DFD could convene semi-regular meetings with nonprofit technical assistance providers and bridge lenders to track potential TOPA purchases and strategize on funding such projects.

DC Low-Income Housing Tax Credit (DC LIHTC)

FY26: $8.75 Million

The Coalition recommends that the Mayor and Council continue the planned credit availability for DC LIHTC that was passed in the FY25 Budget Support Act. The FY26 credit authority of $8.75M at the pricing floor of $.70 creates $61.25M in new project level equity.

The DC LIHTC program is designed to incentivize the development of affordable housing through tax credits. Currently, the DC LIHTC is applicable only to "qualified projects" that also receive federal low-income housing tax credits. Ideally, the Mayor and Council will de-link the DC LIHTC from the federal credit so that DHCD could elect to fund a project with HPTF and DC LIHTC alone and hp not need bonds and 4% federal LIHTC.

Home Purchase Programs -------------------------------------

FY26: $36.2 million (HPAP and EAHP Combined)

The Coalition seeks a modest boost above the Mayor's proposal of $30 million for homeownership programs in FY26. The budgeted homeownership line in DHCD's Community Development division includes funds for Home Purchase Assistance Program (HPAP), Employer Assisted Housing Program (EAHP), and the Negotiated Employee Affordable Home Purchase Program (NEAHP). The Mayor's budget presentation specified $23 million for HPAP in FY26 and did not describe how the remainder would be divided.

Home Purchase Assistance Program (HPAP)

FY26: $31.2M

The Coalition hopes that funds may be available to retain the FY25 funding level of $31.2 million in HPAP. HPAP provides interest-free loans and closing cost assistance for residents purchasing single-family houses, condominiums, or cooperative units.

Specifically, for HPAP, CBOs have confirmed an increase in the demand due to the increased HPAP support for qualifying households and the limited supply of affordable home ownership units available to qualifying households. At an average HPAP funding amount of $150,000, the District will serve more than 200 households at $31.2 million.

Employer Assisted Housing Program (EAHP)

FY26: $5M

The Coalition hopes that funds may be available to retain the FY25 funding level of $5 million in EAHP. EAHP offers District government employees a deferred, 0% interest loan and a matching funds grant for down payment and closing costs to purchase their first single family home, condominium, or cooperative unit in the District.

Local Rent Supplement Program (LRSP)

FY26: $34.1 million

The Coalition advocates for a robust funding allocation to the District of Columbia's Local Rent Supplement Program (LRSP) for Fiscal Year 2026. Given the escalating housing affordability crisis in the District, The Coalition believes that retaining a strong LRSP budget should be a District priority. This funding is essential to support low-income households by subsidizing their rental costs, directly addressing the immediate needs of those most affected by housing instability and the broader economic impacts of recent years.

The LRSP is a critical component of the District's strategy to provide affordable housing solutions to its most vulnerable residents. LRSP is part of the District's commitment to serve our residents in ways that most states do not – by directly assisting households at the bottom of the income spectrum. It offers tenant-based and project-based rental subsidies, making housing affordable for low-income families and individuals.

The Coalition's recommendation of $34.1 million for the LRSP in FY26 is based on the expectation of LRSP units coming on-line in FY26 as well as existing commitments. Project- and sponsor-based LRSP is used to produce new housing affordable to extremely-low-income households by providing operating subsidies as part of the development process. These homes are needed to: (1) meet the goals of the Homeward DC plan by supporting the production of Permanent Supportive Housing (PSH) in new developments (including the 5% now required in all DHCD-funded rental projects); and (2) allow the production of housing for people with extremely-low-incomes beyond the scope of the Homeward DC plan to serve additional individuals and families. Project-based LRSP covers rent, maintenance, utilities, and other ongoing expenses not covered through one-time HPTF loans.

The Coalition also supports the Mayor's recommendation to allow households at 50% of AMI to qualify for LRSP. We hope that initial entry into LRSP units will prioritize the lowest income households and that the higher cap will allow both flexibility and enable economic progress by LRSP-assisted households.

Permanent Supportive Housing (PSH)

FY26: $4.3 Million for individuals | $18.5 Million for families

The Coalition requests that the Mayor and Council prioritize funding for PSH, a best-practice model of matching housing subsidy with wrap-around case management. PSH has a proven record of ending chronic homelessness by helping residents maintain housing stability while improving health.

While the Mayor's proposed FY26 budget would reduce the District's local dollars to PSH, the Department of Human Services has provided details that Medicaid will cover much of these losses leading to nearly level funding. In solidarity with our partner The Way Home Campaign, we ask that, despite a challenging budget year, PSH face no cuts – and, if possible, enhance the PSH budget to fund 1260 single PSH vouchers and 764 family PSH vouchers.

Neighborhood Based Activities Program (NBAP)

FY26: $12.1 million

The Coalition wants to elevate the importance of funding for the Neighborhood Based Activities Program (NBAP), which provides critical support for community-based organizations. **Recognizing the challenging fiscal year ahead, The Coalition recommends maintaining funding at $12.1 million for FY26.**

The NBAP provides resources to Community Based Organizations (CBOs) to supply an array of essential services for District residents, including TOPA technical assistance, tenant housing conditions technical assistance, eviction and foreclosure prevention counseling, limited equity cooperative technical assistance, and homebuyer counseling for HPAP and EAHP.

Due to increased demand for HPAP, the need for additional eviction and foreclosure prevention services, and the importance of adequate TOPA education and support, The Coalition strongly recommends maintaining at least level funding for the CBOs to carry out these essential functions.

Emergency Rental Assistance (ERAP)

FY26: $26.9 Million

The Coalition recommends that the Mayor and Council provide at least $26.9 million for the Emergency Rental Assistance Program (ERAP) in FY26. This amount keeps funding steady from FY25, which will generate a larger impact due to changes in ERAP law.

ERAP helps income-eligible District residents remain housed despite an unforeseen financial hardship by paying for either past-due rent or one-time expenses, such as a security deposit, that enable a shift to more suitably priced housing. With appropriate rules in place, such as those recently passed, ERAP is effective at reducing risks to both tenants and the rental supply when residents face a temporary crisis.

ERAP is far less expensive than the costs per household for the District's shelter system and the increased healthcare costs for individuals and families who become homeless. ERAP also is far less expensive than the housing subsidies and services required to move people out of the shelter system. If $26.9M in ERAP funds each funded an application for the maximum of 5 months at fair market rents, it would keep approximately 2,280 households in their units and out of the homeless services system.

Changes in the federal workforce may have ripple effects on DC renters, leading to missed rent payments during a job search or while waiting for benefits to arrive. Affordable housing providers are already carrying massive amounts of bad debt due to rent arrears accumulated during different ERAP and eviction policies. By adequately funding ERAP, tenants can get assistance to either get their back rent paid or move on.

FY2026 BUDGET RECOMMENDATIONS

Economic Development

	PROGRAM	FY24 COUNCIL APPROVED	FY25 COUNCIL APPROVED	FY26 MAYORS BUDGET	FY26 COALITION RECOMMENDATIONS	FY26 COUNCIL APPROVED
SMALL BUSINESS & COMMERCIAL CORRIDORS	**Small Business Technical Assistance**	$4.128M	$3.979M	$4.131M	**$4.131M**	
	Main Streets	$6.256M	$6.468M	$5.183M	**$5.183M**	
	Commercial Clean Teams	$6.744M	$7.43	$7.206M	**$7.206M**	
	Aspire Program	$250K	$250K	$0	**$250K**	
	Robust Retail (RR) and Dream Grants	$1.1M	$1.1M *($500K RR & $600K Dream grants)*	$0	**$1.1M** *($600K RR & $500K Dream grants)*	
	Great Streets	$7.150M	$7.153M	$3.659M	**$3.659M**	
	Commercial Property Acquisition Fund	$6M	$2.5M	$0	**$2.5M**	
WORKFORCE DEVELOPMENT	**Workforce Investment Administration**	$3.051M	$1.959M	$1.732M	**$1.732M**	
	DC Public Library, Adult Services	$799K	$1.074M	$1,042M	**$1,042M**	
	DC Public Library, Adult Learning Services	$1.721M	$1.993M	$2.019M	**$2.019M**	

NOTE: Aspire, Robust Retail, and Dream Grant are programs within the Department of Small and Local Business Development; there isn't a budget line item for these programs.

THE COALITION

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Economic Development Recommendations for FY26 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 (formerly CNHED) wish to offer our insights, recommendations, and support in navigating these challenging times.

About The Coalition

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Since its inception in 2000, The Coalition has grown from 55 organizations to nearly 180 today. The Coalition's strength is in its convening power, highly successful advocacy, robust communications, and information sharing, and equipping its members with tools and resources for their work. The Coalition'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

The Mayor's proposed FY2026 budget reflects a new fiscal reality for the District. The Mayor and our elected officials are in a tight spot. Following the release of the Mayor's proposed budget, the Council must make difficult decisions to deliver a budget that doesn't compromise economic growth while providing essential programs and services to residents. The Coalition is keenly aware of the impending tradeoffs the Council will have to make in the coming days, and we're assured that they are up to the task. The Coalition acknowledges the difficult choices ahead, and while we have adjusted some of our recommendations accordingly, we strongly urge the Council to prioritize investments in our small businesses and jobseekers.

The Coalition's budget recommendations outline key programs and services essential to maintaining our small business ecosystem and supporting workforce development. Our budget recommendations provide an overview of each program's importance and our rationale for the budget numbers.

Together with our membership, we extend an offer to partner with the District government in these trying times. We remain committed to identifying ways to enhance program design, implement process improvements, and rectify historical injustices, thereby benefiting the under-resourced residents of the District.

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

Small Business and Commercial Corridors -----------------

Small Business Support Technical Assistance (SBTA)

FY26: $4.131M

The Coalition supports the Mayor's proposed FY 2026 budget to commit $4.131M 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 offer small business owners a broad range of support, including planning, micro-loan packaging, entrepreneurial assistance, and legal assistance. This program is available to all businesses, but 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, Mount Pleasant, Petworth, Rhode Island and Bladensburg.

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

Main Streets

FY26: $5.183M

The Coalition requests the Council to commit $5.183M in the FY26 budget to support the District's Main Streets program. The District's Main Streets program supports the operation and programming of 29 corridor organizations. As place-makers, these organizations remain vital to neighborhood-based small businesses and serve as a liaison to the District, and each corridor manages its own unique challenges. The one-time budget enhancement made by the Committee in the FY2025 budget to increase the funding for Main Street has been impactful in supporting small businesses and neighborhood commercial corridors. The Coalition requests that the Council maintain the increase in the Main Streets program, which is a comprehensive program that promotes the revitalization and sustainability of neighborhood business districts.

Commercial Clean Teams

FY26: $7.206M

The Coalition requests the Council to commit $7.206M to support the Commercial Clean Teams program. As a complement to the Main Streets program, the Commercial Clean Teams program provides employment to District residents while servicing the clean-up along designated corridors. This program is invaluable and greatly needed in maintaining safe and clean the District's neighborhood commercial corridors.

Aspire Incubator Program

FY26: $250K

The Coalition requests the Council allocate $250K to support the Aspire Program, a cohort-based small business training program serving up to 20 justice-involved and/or returning citizens seeking to start or expand their business. The investment of $250K and the opportunity to participate in a tailor-made program for returning citizens is immeasurable, equipping individuals with the knowledge and skills to successfully operate their business. Viable employment options are limited for many individuals returning citizens seeking economic mobility, becoming a small business owner is a fruitful endeavor that provides many the second chance they need.

Robust Retail (RR) and Dream Grants

FY26: $600K for Robust Retail | $500K for Dream Grants

In the FY2026 budget, the Coalition requests the Council allocate $600K to support Robust Retail (RR) Grants and $500K for the Dream Grants. *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.* The Dream Grants is *a micro-grant program that provides business development assistance to help eligible businesses in Ward 7 and Ward 8 grow.*

Great Streets Initiative

FY26: $3.659M

The Coalition requests the Council to commit $3.659M to the Great Streets Initiative to align with the Mayor's proposed FY 2026 budget. Vibrant neighborhood business districts spur economic opportunities for small businesses, entry-level jobs, and convenient access to goods and services for neighborhood residents. The benefits of Great Streets 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.

Given the District's current fiscal pressures, the Coalition supports the Mayor's proposed budget of $3.659M for Great Streets. In a period of belt-tightening, this is an ideal time to reexamine the degree to which the Great Streets Initiative is achieving its intended objectives. The Coalition recognizes the popularity of the Great Streets Initiative. However, there are businesses ineligible to apply because they fall outside the program's geographic areas. And the businesses with the greatest need for this program experience significant hurdles applying to the Great Streets program. For many businesses Great Streets can be more restrictive.

Commercial Property Acquisition Fund

FY26: $2.5M

The Coalition requests the Council commit $2.5M proposed FY2026 budget of $2.5M 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.

THE COALITION

Workforce Development ---------------------------------------

Workforce Investment Administration

FY26: $1.732M

The Coalition recommends the Council invest $1.732M to support the District's Workforce Investment Administration, 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.

Adult Services | District of Columbia Public Library

FY26: $1.042M

Adult Learning Services | District of Columbia Public Library

FY26: $2.019M

The Coalition recommends the Council to commit $1.042M and $2.019M in the FY2026 budget towards digital training under Adult Services and Adult Learning 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.

Committed to digital literacy, the DCPL's Adult Learning Department offers a myriad of free computer classes and certifications, ranging from basic computer skills such as turning on the computer and logging in, using a keyboard effectively, demonstrating basic email functions and using the internet. The funding in the Mayor's proposed budget will provide the library with the resources to continue offering digital literacy training workshops such as Grow with Google series, which instructs enrolled participants on using Google's software programs (i.e., Google documents, sheets, and slides). It is important to note that since the pandemic, our libraries continue to serve as an invaluable resource for residents without internet access, who lack proficiency in basic digital literacy and lack ownership of a digital device.