



February 3, 2021

Kenyan McDuffie  
Councilmember, Ward 5  
Chair Pro Tempore  
Chair, Committee on Business and Economic Development  
John A. Wilson Building  
1350 Pennsylvania Avenue, NW, Suite 506  
Washington, District of Columbia 20004

RE: Fiscal Year 2020-2021 to date Performance Oversight Hearing

Councilmember McDuffie,

Attached, please find the Department of Small and Local Business Development's ("DSLBD") responses to your pre-hearing questions dated January 19, 2021.

We look forward to sharing agency updates with you and answering your questions on February 10, 2021.

Do not hesitate to contact me at (202) 727-3900 or [Kristi.Whitfield@dc.gov](mailto:Kristi.Whitfield@dc.gov) if you have any questions.

Kind regards,

A handwritten signature in black ink, appearing to read "Kristi Whitfield", is positioned above the printed name.

Kristi C. Whitfield

## **General Questions**

- 1. Please provide a current organizational chart for the agency, as of January 20, 2021, including the number of vacant, frozen, and filled positions in each division or subdivision. Include the names and titles of all senior personnel and note the date that the information was collected on the chart.**
  - a. Please provide an explanation of the roles and responsibilities of each division and subdivision.**
  - b. Please provide a narrative explanation of any changes to the organizational chart made during the previous year.**

**Answer:** See attachment - “*DSLBD Organizational Chart (Q1).pdf*”.

**Answer (a):**

- 1) The *Office of the Director* provides agency-wide operational, administrative, technical, legal, and legislative support.
- 2) The *Compliance and Enforcement* division oversees Certified Business Enterprise (“CBE”) utilization and participation pursuant to D.C. Official Code § 2–218.01 *et seq.*, Chapter 8 (Local, Small, and Disadvantaged Business Enterprises Contracting) of Title 27 (Contracts and Procurement) of the District of Columbia Municipal Regulations, and any other applicable laws and regulations.

This division oversees three key areas:

- Agency Compliance is responsible for the coordination of the information processed by the Office of Contracts and Procurement (“OCP”) and the Office of the Chief Financial Officer (“OCFO”) to monitor District agencies’ compliance with Small Business Enterprise (“SBE”) spend requirements;
  - Public-Private Development (“PPD”) Compliance is responsible for tracking and monitoring CBE requirements on government-assisted PPD projects; and
  - Investigations and Enforcement is responsible for ensuring compliance with CBE laws and regulations and issuing warnings or penalties.
- 3) The *Certification* division evaluates applications submitted by businesses to determine eligibility, defined by statutory and regulatory requirements, for entry into the District’s CBE program. The division also reviews applications to determine: continued eligibility in CBE program; eligibility for certification of a joint venture and, if certified, what preference should be assigned for an individual procurement opportunity; and eligibility for certification as an equity participant, small investor, or disadvantaged investor as it pertains to real estate development projects. Lastly, the division is also responsible for maintaining the Department’s repository of active CBEs.
  - 4) The *Commercial Revitalization* division provides technical and funding assistance to support, promote, and foster economic development in District commercial

corridors as well as the retention, recruitment, and enhancement of businesses throughout the city.

This division oversees four key areas:

- Capacity Building provides oversight, funding, and support for the growth and development of neighborhood businesses and manages grants to community-based organizations;
- Main Streets Program fosters retail investment in the District by providing services and funding to help communities retain and recruit businesses, improve commercial properties and streetscapes, and attract consumers; and
- Commercial Clean Teams maintain commercial corridors; enhances litter cleanup efforts through the removal of debris from streets, sidewalks and storefronts; and removes graffiti and illegal sign postings within designated service-delivery areas.

5) The *Small Business Development* division provides District-based businesses with the knowledge and capacity-building tools necessary to form, develop, grow, and expand by offering classes, training, technical assistance, and advocacy to promote greater participation in local, federal, and private-sector opportunities.

This division oversees two key areas:

- Access to Capital expands business opportunities for small businesses by increasing the availability of start-up, working equity, and development capital and bonding; partners with lending institutions to provide financial tools; and provides targeted technical assistance that will allow for greater preparedness for the lending process; and
- Business Development provides support, resources, and technical assistance to current or prospective business owners by providing one-on-one counseling, monthly training courses, and workshops to address a broad variety of start-up and development issues from establishing a business to building business credit and finding loans; promotes and advocates for small and local businesses headquartered in the District of Columbia; and is responsible for increasing opportunities for small business participation in the procurement process within the public and private sectors and communicating industry-specific business opportunities.

6) The *Innovation and Equitable Development (Inno.ED)* division supports pilot programs, trainings, technical assistance, and limited grants to support removing barriers to entrepreneurship.

This division oversees the following programs:

- Made in DC supports and promotes businesses that design, make, produce, and/or assemble products in the District of Columbia. As a response to the momentum and growth of the maker and creative economy in the District, Made in DC functions as a citywide campaign and platform to create opportunity for maker businesses. Made in DC brings businesses together for

resource and experience sharing, as well as function as a conduit and messenger between makers and local government; and

- Aspire to Entrepreneurship partners with local DC government agencies, non-profits, and federal partners to operate programming to support justice-involved District residents (reentering citizens or those on parole or probation) to open, own, and operate their own businesses.

7) The *DC Procurement Technical Assistance Center (DC-PTAC)* division provides procurement technical assistance and business advisory services to small businesses that are based in the District and are seeking contracting opportunities with the District and/or Federal government.

**Answer (b):** There were no organizational changes to the chart; however, the agency filled a number of vacant positions: Deputy General Counsel, two (2) Compliance Specialists, a Public Affairs Specialist, Business Certification Specialist, Grants Management Specialist, and Project Coordinator.

2. **Please provide a current Schedule A for the agency which identifies each position by program and activity, with the employee's title/position, salary, fringe benefits, and length of time with the agency. Please note the date that the information was collected. The Schedule A should also indicate if the position is continuing/term/temporary/contract or if it is vacant or frozen. Please separate salary and fringe benefits and indicate whether the position must be filled to comply with federal or local law.**

**Answer:** See attachment - "*DSLBD Schedule A(Q2).pdf*"

3. **Please list all employees detailed to or from your agency. For each employee identified, please provide the name of the agency the employee is detailed to or from, the reason for the detail, the date of the detail, and the employee's projected date of return.**

**Answer:** Lauren Adkins was detailed August 19, 2019 to the Office of the Deputy Mayor for Planning & Economic Development ("DMPED") due to an immediate need and returned to DSLBD on April 19, 2020. Patricia Harrison was detailed to Department of General Services ("DGS") on August 12, 2019 due to an immediate need. Patricia Harrison's detail was extended for 240 days. She returned to DSLBD on April 8, 2020. Gladys Kamau was detailed from the Office of the City Administrator to DSLBD January 6, 2020 and joined DSLBD full time on October 10, 2020.

4. **Please provide the Committee with:**

- a. **A list of all employees who received or retained cellphones, personal digital assistants, or similar communications devices at agency expense in fiscal years 2020 and 2021, to date;**

- b. A list of all vehicles owned, leased, or otherwise used by the agency and to whom the vehicle is assigned, as well as a description of all vehicle accidents involving the agency's vehicles in fiscal years 2020 and 2021, to date;**
- c. A list of travel expenses, arranged by employee for fiscal years 2020 and 2021, to date, including the justification for travel; and**
- d. A list of the total workers' compensation payments paid in fiscal years 2020 and 2021, to date, including the number of employees who received workers' compensation payments, in what amounts, and for what reasons.**

**Answer (a):**

Employee	Position
Whitfield, Kristi	Director
Suggs- Evans, Rosemary	Chief of Staff
Adkins, Lauren	Program Manager
Ambaye, Genet	Compliance Specialist
Amoruso, Cristina	Program Manager
Anderson, Elizabeth	Grants Management Specialist
Battle, Sherri	Management Liaison Specialist
Beasley, Corey	Certification Specialist
Bing, Michael	Business Development Manager
Bolden, Katina	Staff Assistant
Capers, Ricky	Compliance Specialist
Cooke, Victoria	Staff, Assistant
Cortes-Gomez, Emilia	Certification Specialist
Cruz, Jenny	Special Assistant
Dale, Earl	Compliance Specialist
Demisse, Freguenet	Compliance Specialist
Dorsey, Robert	Legislative Analyst
Davis, Donnell	Clean Team Grants Manager
Edmondson, Sheila	DC PTAC Specialist
Edwards, Ronnie	Deputy Director of Comp
Giles, Ariel	Compliance & Enforcement Man.
Goodman, Milton	DC PTAC Manager
Hankerson, Tyrone	Compliance Specialist
Harris, Marcia	Applications Project Lead
Harris, Michelle	PTAC Intake Coordinator
Harrison, Patricia	Business Development Specialist
Herrman, Dian	Compliance Specialist
Honey, Christopher	Public Affairs Specialist
Howard, Keith	Certification Specialist
Howe, Caroline	Coordinator
Ibargüen, Marjhorys	Certification Specialist
Iraheta, Ron	DC PTAC Specialist
Johnson, Erin	Staff Assistant
Johnson, Nancy	Compliance Specialist

Kadiri, Venessa	DC PTAC Specialist
Kamau, Gladys	Program Analyst
King, Earl	DC PTAC Specialist
Lashley, Lincoln	Program Manager
Lemon, Anthony	IT Assistant Manager
McCall-Matey, Monica	Compliance Specialist
McKoy, Jasmine	Budget, Analyst
McRae, Lorenzo	Deputy General Counsel
Nixon, Camille	Program Manager
Partlow, James	Public Information Officer
Resil, Melissa	Certification Manager
Roy, Yolanda	Certification Specialist
Mereand, Katherine	Program Manager
Smallwood, Carolyn	Staff Assistant/Receptionist
Stansbury, Wanda	Deputy General Counsel
Swain, Teaira	Compliance Specialist
Taylor, Shannon	DC-Based Brands Coordinator
Turner, Sirah	Administrative Officer
Wallace, Terrance	Compliance Specialist
Wright, Amanda	Compliance Specialist
Wright, Mary	Data Analyst

**Answer (b):**

Year	Make	Model	Tag Number
2020	Toyota	Prius	DC13393

The agency vehicle is not assigned to specific staff. The vehicle was not involved in any accidents in FY20 or FY21, to date.

**Answer (c):**

Employee	Destination	Purpose	Expense	Date
Resil, Melissa	San Diego, California	American Contract Compliance Association National Training Institute Conference	\$2,853.16	8/24/2020-8/30/2020 Note: fees were paid on 3/9/2020 but, due to COVID, the conference was cancelled in 2020. Any registration fees etc. were rolled over to 2021.
Resil, Melissa	San Diego, California	American Contract Compliance Association National Training Institute Conference	\$324.91	8/24/2020-8/30/2020 Note: fees were paid on 3/9/2020 but, due to COVID, the conference was cancelled in 2020. A credit was provided by the airline.

**Answer (d):** There were no worker's compensation payments made in FY20 or FY21, to date.

**5. For fiscal years 2020 and 2021, to date, what was the total cost for mobile communications and devices, including equipment and service plans?**

**Answer:** In FY20, the agency spent a total of \$34,952.25 on mobile communications and devices. As of January 19, 2021, the agency spent \$718.19 on mobile communications and devices.

**6. For fiscal years 2020 and 2021, to date, please list all intra-District transfers to or from the agency. For each transfer, include the following details:**

- a. Buyer agency;
- b. Seller agency;
- c. The program and activity codes and names in the sending and receiving agencies' budgets;
- d. Funding source (i.e. local, federal, special purpose revenue);
- e. Description of MOU services;
- f. Total MOU amount, including any modifications;
- g. Whether a letter of intent was executed for fiscal year 2020 or 2021 and if so, on what date,
- h. The date of the submitted request from or to the other agency for the transfer;
- i. The dates of signatures on the relevant MOU; and
- j. The date funds were transferred to the receiving agency.

**Answer:** See attachment - "*MOUs FY20-21 (Q6, Q7, Q10).pdf*".

**7. Please list any additional intra-district transfers planned for fiscal year 2020, including the anticipated agency(ies), purposes, and dollar amounts.**

**Answer:** See attachment - "*MOUs FY20-21 (Q6, Q7, Q10).pdf*".

**8. For fiscal years 2020 and 2021, to date, please identify any special purpose revenue funds maintained by, used by, or available for use by the agency. For each fund identified, provide:**

- a. The revenue source name and code;
- b. The source of funding;
- c. A description of the program that generates the funds;
- d. The amount of funds generated by each source or program;
- e. Expenditures of funds, including the purpose of each expenditure; and
- f. The current fund balance.

**Answer:**

- *Small Business Capital Access Fund*
  - Source of Funding: Any penalties assessed by the Department pursuant to § 2-218.48 and any civil penalties imposed pursuant to § 2-218.63(c) and any fees collected pursuant to § 2-218.49a(a-1) shall be collected by the Department and deposited into the Fund.
  - Program Description: There is established as a non-lapsing fund which shall be used for the following purposes: (1) To grant the local funds necessary to obtain federal matching funds to establish a procurement technical assistance program in the Department; (2) To make a one-time grant in an amount of \$50,000 to provide operating support to a newly formed business association in Ward 3; and (3) To provide financial assistance, including grants, loans, and loan guarantees, to eligible recipients.
  - Deposits in FY20: \$1,796,474.00
  - Expenditures in FY20: \$607,960.00
  - Revenue Fund Balance \$1,595,957.68
- *Small Business Capital Access Fund (Micro-Loan)*
  - Source of Funding: Any penalties assessed by the Department pursuant to § 2-218.48 and any civil penalties imposed pursuant to § 2-218.63(c) and any fees collected pursuant to § 2-218.49a(a-1) shall be collected by the Department and deposited into the Fund.
  - Program Description: There is established as a non-lapsing fund which shall be used for the following purposes: (1) To grant the local funds necessary to obtain federal matching funds to establish a procurement technical assistance program in the Department; (2) To make a one-time grant in an amount of \$50,000 to provide operating support to a newly formed business association in Ward 3; and (3) To provide financial assistance, including grants, loans, and loan guarantees, to eligible recipients.
  - Deposits in FY20: \$0
  - Expenditures in FY20: \$0
  - Balance in FY20: \$279,914.00
- *Ward 7 and 8 Entrepreneur Grant*
  - Source of Funding: Local Appropriation
  - Program Description: There is established as a non-lapsing fund which shall be used for the following purposes: (1) Money in the fund shall be used to provide grants to support the establishment or expansion of small businesses in Ward 7 and 8; (2) No single grant shall exceed \$10,000; (3) To qualify for a grant, the proposed or existing small business shall have: a location in Ward 7 or 8; fewer than 5 employees; Ward 7 or 8 residents representing more than 50% of the ownership of the proposed or existing small business; a clear business plan.
  - Balance in FY20: \$28,519.54
  - Expenditures in FY20: \$10,000.00
  - Budget Authority in FY21: \$18,519.54

- 9. For fiscal years 2020 and 2021, to date, please list any purchase card spending by the agency, the employee making each expenditure, and the general purpose for each expenditure.**

**Answer:** See attachment - “FY20-21 PCard Transaction Detail (Q9).pdf”.

- 10. Please list all memoranda of understanding (“MOU”) entered into by your agency during fiscal years 2020 and 2021, to date, as well as any MOU currently enforced. For each, indicate the date on which the MOU was entered and the termination date.**

**Answer:** See attachment - “MOUs FY20-21 (Q6, Q7, Q10).pdf”.

- 11. Please list the ways, other than MOU, in which the agency collaborated with analogous agencies in other jurisdictions, with federal agencies, or with non-governmental organizations in fiscal years 2020 and 2021, to date and whether there was an associated cost. If there was an associated cost, please report.**

**Answer:**

- Commercial Revitalization staff collaborated with revitalization coordinators in the City of Fort Worth, Texas, about the Urban Main Streets Program and the challenges encountered in the revitalization of the City’s commercial districts. There was no associated cost.
- Commercial Revitalization and the Office of the Director staff collaborated with Montgomery County, Maryland Council staff regarding the legislative histories, economic, and racial equity impacts of BID formations. There was no associated cost.
- DC PTAC collaborated with the Small Business Administration to disseminate information to District businesses interested in applying for federal Paycheck Protection Program (“PPP”) loans and Economic Injury Disaster loans. DC PTAC also collaborated with District and Federal agencies through: (1) joint training sessions; (2) resource allocation to support small business requests; (3) federal procurement outreach with agencies; and (4) agency bid opportunity rallies (prior to COVID-19). There was no associated cost. Agencies included:

*Federal*

- Small Business Administration (2020, 2021)
- General Services Administration (2020, 2021)
- Federal Emergency Management Agency (2020)
- Defense Logistics Agency (2020, 2021)
- US Treasury (2020)

*Local*

- DCRA (2020, 2021)
- OCP (2020,2021)
- DCPS (2020)
- GWHCC (2021 pending)

- Inno.ED staff, through our Made in DC work, connected with those who operate the Made in Baltimore program. After visiting each other's cities, they shared best practices, highlighted where the maker communities overlap (using maker spaces that are available in Baltimore, selling in both markets, etc.), and when helpful continue to make referrals to businesses seeking support in our respective cities. This has led to a relationship with Made in NYC and inclusion in the Urban Manufacturing Alliances new "Made In" network.

**12. Please list all recommendations identified by the Office of the Inspector General, D.C. Auditor, or other federal or local oversight entities during the previous four years. Please discuss specifically what actions the agency has taken to address these recommendations. If a recommendation has not yet been implemented, please explain why.**

**Answer:** In the previous four years, one report was issued by the D.C. Auditor containing recommendations for DSLBD to follow: District of Columbia Agencies' Compliance with Fiscal Year 2016 Small Business Enterprise Expenditure Goals (June 28, 2017). Below are all the recommendations:

- The DSLBD Director should report agencies that do not submit procurement plans to the City Administrator within 30 days of the start of the fiscal year;
- Within 30 days of the release of this report, DSLBD should review the status of the Not-For-Profit Hospital to determine the best method for accurately capturing their expenditures. Within 30 days of the release of this report, DSLBD should review all FY 2016 SBE expenditure goals to ensure that they are realistic; and
- The DSLBD Director should begin calculating agency SBE expenditure totals using SOAR and PCard data, rather than relying solely on agency submissions.

The recommendations have been addressed and/or implemented, and subsequently closed.

**13. Please list all capital projects in the financial plan and provide an update on all capital projects under the agency's purview in fiscal years 2020 and 2021, to date, including the amount budgeted, actual dollars spent, and any remaining balances. In addition, please provide:**

- a. An update on all capital projects begun, in progress, or concluded in fiscal years 2019, 2020, and 2021, to date, including the amount budgeted, actual dollars spent, and any remaining balances.
- b. An update on all capital projects planned for fiscal years 2021, 2022, 2023, 2024, 2025, and 2026.
- c. A description of whether the capital projects begun, in progress, or concluded in fiscal year 2019, 2020, or 2021, to date, had an impact on the operating budget of the agency. If so, please provide an accounting of such impact.

**Answer (a):** Small Business IT System (DES Funding) (ENS16C)

	Budgeted	Spent	Balance
<b>FY19</b>			
Capital from DSLBD (\$90K+\$166K)	\$256,000.00	\$256,000.00	\$0.00
Capital DMGEO/OCTO	\$194,000.00	\$194,000.00	\$0.00
<b>FY19</b>	<b>\$450,000.00</b>	<b>\$450,000.00</b>	<b>\$0.00</b>
<b>FY20</b>			
Capital \$400K rcvd	\$400,000.00	\$400,000.00	\$0.00
Capital \$130K from DSLBD	\$130,000.00	\$130,000.00	\$0.00
<b>FY20</b>	<b>\$530,000.00</b>	<b>\$530,000.00</b>	<b>\$0.00</b>
<b>FY21</b>			
Capital from OCTO (Oct - Dec)	\$140,000.00	\$140,000.00	\$0.00
<b>FY21</b>	<b>\$140,000.00</b>	<b>\$140,000.00</b>	<b>\$0.00</b>

**Answer (b)-(c):** See attachment “*DSLBD Capital Projects - Small Business IT System (DES Funding) (ENS16C) (Q13).pdf*”.

**14. Please provide a table showing your agency’s Council-approved original budget, revised budget (after reprogrammings, etc.), and actual spending, by program and activity, for fiscal years 2019, 2020, and the first quarter of 2021. For each program and activity, please include total budget and break down the budget by funding source (federal, local, special purpose revenue, or intra-district funds).**

- Include any over- or under-spending. Explain any variances between fiscal year appropriations and actual expenditures for fiscal years 2019 and 2020 for each program and activity code.**
- Attach the cost allocation plans for fiscal years 2020 and 2021.**
- In fiscal year 2020 or 2021, did the agency have any federal funds that lapsed? If so, please provide a full accounting, including amounts, fund sources (e.g. grant name), and reason the funds were not fully expended.**

**Answer:** See attachment - “*DSLBD FY19-21 Budget (Q14).pdf*”.

**15. Please list, in chronological order, each reprogramming in fiscal years 2020 and 2021, to date, that impacted the agency, including those that moved funds into the agency, out of the agency, and within the agency. Include the revised, final budget for your agency after the reprogrammings for fiscal years 2020 and 2021, to date. For each reprogramming, list the date, amount, rationale, and reprogramming**

**number. Please also include the program, activity, and CSG codes for the originating and receiving funds.**

- a. Provide an update on the Living Wage Certification funds that were allocated to the agency for fiscal years 2019, 2000, and 2021, to date. Have the funds been disbursed to the non-for-profit organization to begin their work on the Living Wage Certification Program?**

**Answer:** See attachment - “*DSLBD FY20-21 Reprogramming (Q15).pdf*”.

**Answer (a):** Funding for FY19 and FY20 were dispersed to the awarded grantee for the program. The grantee has not completed required reporting from the 2020 grant, which would be required before looking at a 2021 grant amendment for the final option year under the original competed grant. The grantee has not yet launched a certification program with the funding from the first two years of the grant.

**16. Please list each grant or sub-grant received by your agency in fiscal years 2020 and 2021, to date. List the date, amount, source, purpose of the grant or sub-grant received, and amount expended.**

- a. How many FTEs are dependent on grant funding? What are the terms of this funding? If it is set to expire, what plans, if any, are in place to continue funding the FTEs?**

**Answer:** The agency received federal grants from the Defense Logistics Agency to support the work of DC PTAC totaling \$558,906 in FY20, and \$532,402 in FY21.

**Answer (a):** This grant funding supports the work of five (5) FTEs. These federal grants were coupled with a 25% local match totaling \$186,303 in FY20, and \$ 177,468 in FY21.

**17. Please describe every grant your agency is, or is considering, applying for in fiscal year 2021.**

**Answer:** There are none, at this time.

**18. Please list each contract, procurement, and lease, entered into, extended, and option years exercised by your agency during fiscal years 2020 and 2021, to date. For each contract, please provide the following information, where applicable:**

- a. The name of the contracting party;**
- b. Contract number;**
- c. Contract type (e.g. HCA, BPA, Sole Source, sing/exempt from competition award, etc.)**
- d. The nature of the contract, including the end product or service;**
- e. Contract’s outputs and deliverables;**
- f. Status of deliverables;**

- g. The dollar amount of the contract, including amount budgeted and amount actually spent;**
- h. The term of the contract;**
- i. Whether the contract was competitively bid;**
- j. Subcontracting status (i.e. did the Contractor sub any provision of the goods and/or services with another vendor);**
- k. CBE status;**
- l. Division and activity within DSLBD utilizing the goods and/or services;**
- m. The name of the agency's contract monitor and the results of any monitoring activity; and**
- n. The funding source.**

**Answer:** See attachment - "*DSLBD FY20-21 Contracts (Q18).pdf*".

**19. Please list all pending lawsuits that name the agency as a party. Identify which cases on the list are lawsuits that potentially expose the District to significant financial liability or will result in a change in agency practices, and describe the current status of the litigation. Please provide the extent of each claim, regardless of its likelihood of success. For those identified, please include an explanation about the issues involved in each case.**

- a. Last year, the agency reported that it was working with OAG to obtain findings from OHR's formal investigation in the pending lawsuit, MAKITA HAYNES-BURKS v. DSLBD – 18-177-DC (CN). Was a formal investigation conducted by OHR and was the agency able to obtain the findings?**
- b. Has this lawsuit been finally resolved?**

**Answer:** On December 11, 2020, DSLBD received a complaint concerning Civ. Action No. 2020 CA 004055 B, which is a whistleblower claim filed in DC Superior Court by a terminated MSS employee. There was no administrative matter that predated the complaint. The agency has limited information now, but, to date, there is no information showing that (1) the District is exposed to significant financial liability or (2) this will result in a change in agency practice. The matter has been referred to OAG's Civil Litigation Division, and DSLBD is awaiting instruction and discussions about next steps.

Please note that the agency interprets a "pending lawsuit" as a legal matter in District or federal court. Hence, the agency, or the District on behalf of the agency, has just the one aforementioned matter for FY21. (Matters currently listed as administrative complaints or grievances could become matters that are "pending lawsuits.")

**Answer (a)-(b):** This matter is pending a status update from OAG – after being inactive since September 28, 2018 – and is still before OHR.

**20. Please list all settlements entered into by the agency or by the District on behalf of the agency in fiscal year 2020 or 2021, to date, and provide the parties' names, the amount of the settlement, and if related to litigation, the case name and a brief description of the case. If unrelated to litigation, please describe the underlying issue or reason for the settlement (e.g. administrative complaint, etc.).**

**Answer:** The agency, or the District on behalf of the agency, has not entered into any settlements in FY20 or FY21, to date.

**21. Please list the administrative complaints or grievances that the agency received in fiscal years 2020 and 2021, to date, broken down by source. Please describe the process utilized to respond to any complaints and grievances received and any changes to agency policies or procedures that have resulted from complaints or grievances received. For any complaints or grievances that were resolved in fiscal year 2020 or 2021, to date, describe the resolution.**

- a. Last year, the agency reported that EEOC had contacted DSLBD's Human Resources regarding an allegation of discrimination, however, no further action was taken. Please explain the basis of the discrimination and why there was no further action taken.

**Answer:**

*Office of Human Rights (OHR)*

- OHR NO. 20-184 D(CN) - waiting for probable cause determination. The potential loss is not known at this time.
- (waiting for OHR #) - complainant submitted a new EEO complaint. She should receive her exit letter soon. This matter may be added to the previous complaint. However, the potential loss is not known at this time.
- OHR No. 18-188-(DC-FMLA) & OHR No. 18-177-DC(CN) - this matter is pending a status update from OAG – after being inactive since September 28, 2018 – and is still before OHR. The potential loss is not known at this time.

EEOC/Human Rights complaints go through the procedures as dictated by the Office of Human Rights, and DSLBD responds as requested/required by OHR.

*Office of Employee Appeals (OEA)*

- (JN OEA Matter No. J-0009-18) - the OEA ruled that complainant was wrongfully terminated and was owed back pay. The Order states that complainant also shall be reinstated, but OAG filed a motion on DSLBD's behalf stating that OEA does not have such authority for term employees. (Complainant did not provide the required DCHR paperwork to help assess what complainant is owed. Hence, the potential loss is not known at this time.)

OEA claims go through the procedures as dictated by the Office of Employee Appeals.

**Answer (a):** This is in relation to the OHR NO. 20-184 D(CN) matter referenced above and is currently before OHR.

**22. Please describe the agency's procedures for investigating allegations of sexual harassment or misconduct committed by or against its employees. List and describe any allegations received by the agency in fiscal years 2020 and 2021, to date, whether or not those allegations were resolved.**

**Answer:** The agency follows the requirements as set forth in the Mayor's Order No. 2017-313, DPM, and the DCMR whereby DSLBD's Sexual Harassment Officer (who is also the HR liaison) takes the lead in investigating. No formal complaints were lodged in FY20 or FY21, to date.

**23. Please list and describe any ongoing investigations, audits, or reports on the agency or any employee of the agency, or any investigations, studies, audits, or reports on the agency or any employee of the agency that were completed during fiscal years 2020 and 2021, to date.**

- a. Please provide an update on the investigation the D.C. Auditor initiated last year on the agency's certification and recertification of the CBE status of seven subcontractors listed on the 2019 Office of the D.C. Lottery and Gaming/Intralot sport wagering and lottery gaming contract.**

**Answer:** Nothing was completed in FY20 or FY21, to date; however, there is an ongoing audit by ODCA regarding a 2019 sports wagering contract (referenced in question 23(a)). The audit commenced in FY20.

**Answer (a):** This audit is ongoing.

**24. Please describe any spending pressures the agency experienced in fiscal year 2020 and any anticipated spending pressures for the remainder of fiscal year 2021. Include a description of the pressure and the estimated amount. If the spending pressure was in fiscal year 2020, describe how it was resolved, and if the spending pressure is in fiscal year 2021, describe any proposed solutions.**

**Answer:** DSLBD works with the Mayor's Office of Budget and Performance Management on any necessary changes to the agency's FY2020 budget.

**25. Please provide a copy of the agency's fiscal year 2020 performance accountability report. Please explain which performance plan strategic objectives, initiatives, key performance indicators (KPIs) and workload measures were completed in fiscal year 2020 and whether they were completed on time and within budget. For any measure not met or completed, please provide an explanation.**

**Answer:** See attachment - "*DSLBD FY20 PAR (Q25).pdf*".

**26. Please provide a copy of your agency’s fiscal year 2021 performance plan as submitted to the Office of the City Administrator. Further, discuss any changes to any outcomes or measurements from fiscal year 2020 or 2021, including the outcomes to be measured or changes to the targets or goals of outcomes; list each specifically and explain why it was dropped, added, or changed.**

**Answer:** See attachment - “DSLBD FY21 Performance Plan (Q26).pdf”.

KPI	FY20 to FY21 Change	Reason for Change
Percent of monitored agencies reporting on subcontracting dollars with SBEs	Target changed from 50% to 100%	Reflects reporting improvements as a result of the DES
Percent of waiver applications processed within 20 days or less	Target changed from 80% to 50%	Takes into account timing required for meticulous fact finding and necessary communication exchanges required to process a majority of waivers, as well as changes in operations for many District agencies
Percent of compliance reviews conducted within 30 calendar days	Dropped	This KPI was replaced with workload measures that more appropriately reflect the concerns of the business community and the agency’s ability to move towards those outcomes
Percent of public private development projects reporting on time	Dropped	This KPI was replaced with workload measures that more appropriately reflect the concerns of the business community and the agency’s ability to move towards those outcomes
Total dollar amount of microloans dispersed to small businesses	Target changed from \$2M to \$1M	Reflects pragmatic considerations due to the ongoing global health emergency
Total contract dollar amount awarded to PTAC clients	Target changed from \$40M to \$30	Reflects pragmatic considerations due to the ongoing global health emergency
Total dollar amount in opportunities for small businesses as a result of business development matchmaking activities	Target changed from \$10M to \$5M	Reflects pragmatic considerations due to the ongoing global health emergency
Workload Measure	FY20 to FY21 Change	Reason for Change
Number of spot checks conducted	Added	Supports ongoing Compliance Monitoring and Enforcement initiative
Dollar value of verified PPD subcontractor payments	Added	Supports ongoing Compliance Monitoring and Enforcement initiative

Dollar value of PPD developer payments to SBEs	Added	Supports ongoing Compliance Monitoring and Enforcement initiatives
Number of small business participants in the SBIR/STTR program	Dropped	There was no allocated funding for SBIR/STTR in FY21
Number of new partnerships	Dropped	This measure was vague
Influential capital and revenue for DC-Based Businesses	Added	Supports FY21 strategic initiative: Target resources to attract, retain and prepare businesses for procurement and other opportunities
Number of small business promotion events/posts	Added	Supports FY21 strategic initiative: Target resources to attract, retain and prepare businesses for procurement and other opportunities
Number of returning citizen businesses and entrepreneurs supported through technical assistance and training	Added	Supports FY21 strategic initiative: Revitalize Aspire and Offset Discrimination in Capital Access; focus on training and assistance is due to a 70% reduction in program funding allotted for grants
Number of returning citizen businesses and entrepreneurs supported with access to capital and financing	Added	Supports FY21 strategic initiative: Revitalize Aspire and Offset Discrimination in Capital Access

**27. Please provide the number of FOIA requests for fiscal years 2020 and 2021, to date, that were submitted to your agency. Include the number granted, partially granted, denied, and pending. In addition, please provide the average response time, the estimated number of FTEs required to process requests, the estimated number of hours spent responding to these requests, and the cost of compliance.**

**Answer:**

- FY20 – 22 received and 29 processed via the FOIA Express system (including 7 pending at start of FY20): 3 granted in full; 13 partially granted; 1 denied; and 1 withdrawn. There are 11 undocumented given the agency did not previously use FOIA-Express, and there has been a change in personnel. Average response time is 83 days. The FOIA Officer works with other staff to pull and review documents, and roughly 4 FTEs are needed to process requests. Given changes in personnel, the average hours and costs cannot be identified at this time.
- FY21 – 3 received and processed via the FOIA Express system: none granted; 1 partially granted; 0 denied; 1 no documents found; 1 for another agency; and none pending. Average response time 4 days. The FOIA Officer works with other staff to pull and review documents, and roughly 2 FTEs are needed to process requests. A

rough estimate of 4 hours was spent responding. There have been no costs associated with DSLBD's response to FOIA requests.

**28. Please provide a list of all studies, research papers, reports, and analyses that the agency prepared or contracted for during fiscal years 2020 and 2021, to date. Please state the status and purpose of each. Please submit a hard copy to the Committee if the study, research paper, report, or analysis is complete. For each study, paper, report or analysis, please include:**

- a. Report name;
- b. Author name, whether the agency or an outside party;
- c. Source of funding (program and activity codes); and
- d. Contract number or grant name if the report was produced by a contractor or grantee.

**Answer:** On January 28, 2021, DSLBD submitted an annual FY20 Report to Council pursuant to D.C. Code §§ 2-218.54 and 1-325.191 (RC24-0009). See attachment - "*DSLBD FY20 Annual Report.pdf*".

**29. Please separately list each employee whose salary was \$100,000 or more in fiscal years 2020 and 2021, to date. Provide the name, position number, position title, program, activity, salary, and fringe. In addition, state the amount of any overtime or bonus pay received by each employee on the list.**

**Answer:**

Name	Position #	Position Title	Program	Activity	Salary (\$)	Fringe
Ronnie Edwards	00077535	Dep. Director	Compliance	2020	150,172.36	33,037.92
Melissa Resil	00042974	Program Manager	Certification	2010	123,600.00	27,192.00
Kristi Whitfield	00043982	Director	Office of the Director	1090	189,193.53	41,622.58
Rosemary Suggs-Evans	00085842	Chief of Staff	Office of the Director	1090	150,000.00	33,000.00
Lorenzo McRae	00077658	General Counsel	Office of the Director	1060	150,000.00	33,000.00
Lauren Adkins	00077838	Manager, Retail Business Development	Commercial Revitalization	4020	109,614.00	24,115.08
Michael Bing	00077537	Manager, Small Business Development	Business Opportunities	3060	125,660.00	27,645.00
Kate	00077347	Program	Small Business	3060	123,600.00	27,192.00

Mereand		Manager	Technology			
James Goodman	00077350	Procure. Tech. Assistance. Mgr.	PTAC	3040	113,234.08	24,911.50
Sherri Battle	00045980	Management Liaison Specialist (HR)	Office of the Director	1010	104,569.00	23,005.18
Wanda Stansbury	00077658	Deputy General Counsel	Office of the Director	1060	130,000.00	28,600.00
Robert Dorsey	00092054	Legislative Analyst	Office of the Director	1090	110,297.00	24,265.34
Marcia Harris	00040123	Data Analyst	Office of the Director	1040	107,380.00	23,623.60
Cristina Amoruso	00033888	Project Manager	Commercial Revitalization	4020	113,002.00	24,860.44
Lincoln Lashley	00035076	Project Manager	Commercial Revitalization	4020	113,002.00	24,860.44
Camille Nixon	00033010	Project Manager	Business Opportunities	3060	130,217.00	28,647.74
Venessa Kadiri	00077348	Procure. Tech. Assistance Spec.	PTAC	3040	104,569.00	23,005.18
Ariel Giles	00088568	Compliance & Enforcement Manager	Compliance	2020	115,000.00	25,300.00
Sheila Edmondson	00077349	Procure. Tech. Assistance Spec.	PTAC	3040	104,569.00	23,005.18

**30. Please list in descending order the top 25 overtime earners in your agency in fiscal years 2020 and 2021, to date, if applicable. For each, state the employee's name, position number, position title, program, activity, salary, fringe, and the aggregate amount of overtime pay earned.**

**Answer:** N/A

**31. For fiscal years 2020 and 2021, to date, please provide a list of employee bonuses or special pay granted that identifies the employee receiving the bonus or special pay, the amount received, and the reason for the bonus or special pay.**

**Answer:** There were no bonuses or special pay granted in FY20 or FY21, to date.

**32. Please provide each collective bargaining agreement that is currently in effect for agency employees. Please include the bargaining unit and the duration of each agreement. Please note if the agency is currently in bargaining and its anticipated completion.**

**Answer:** N/A

**33. If there are any boards or commissions associated with your agency, please provide a chart listing the names, confirmation dates, terms, wards of residence, and attendance of each member. Include any vacancies. Please also attach agenda and minutes of each board or commission meeting in fiscal year 2020 or 2021, to date, if minutes were prepared. Please inform the Committee if the board or commission did not convene during any month.**

**Answer:** DSLBD has no associated boards or commissions.

**34. Please list all reports or reporting currently required of the agency in the District of Columbia Code or Municipal Regulations. Provide a description of whether the agency is in compliance with these requirements, and if not, why not (e.g. the purpose behind the requirement is moot, etc.).**

**Answer:** DSLBD is subject to reporting pursuant to D.C. Code §§ 2-218.54, 2-214.01, and 1-325.191. Reporting requirements outlined in subsections (a) and (b) of § 2-218.54 appear moot as they require reports to be submitted to a Compliance Unit at ODCA which no longer exists. The agency's semiannual and annual §§ 2-218.54 and 1-325.191 reports were submitted to the Council on January 28, 2021 (RC24-0009). The agency is currently working on the M/WBE assessment due on March 1, pursuant to §2-214.01.

**35. Please attach copies of the required annual small business enterprise (SBE) expenditure reports for your agency for fiscal years 2019 and 2020.**

- a. D.C. Official Code § 2-218.53(b) requires each District agency to submit supplemental information with their annual SBE expenditure report, including: a description of the activities the agency engaged in to achieve their fiscal year SBE expenditure goal; and a description of any changes the agency intends to make during the next fiscal year to achieve their SBE expenditure goal.**

**Answer:** See attachments - "*DSLBD FY19 Expenditure Report (Q35).pdf*" and "*DSLBD FY20 Expenditure Report (Q35).pdf*".

**Answer (a):** See attachments - "*DSLBD FY19 Expenditure Report - Supplemental (Q35a).pdf*" and "*DSLBD FY20 Expenditure Report - Supplemental (Q35a).pdf*".

**36. Please provide a list of any additional training or continuing education opportunities made available to agency employees. For each additional training or continuing education program, please provide the subject of the training, the names of the trainers, and the number of agency employees that were trained.**

**Answer:** District government staff have the opportunity to avail themselves to DCHR/CDL trainings. See attachment - "*CLD January Courses (Q36).pdf*" for a recent list of offerings.

**37. Does the agency conduct annual performance evaluations of all its employees? Who conducts such evaluations? What steps are taken to ensure that all agency employees are meeting individual job requirements?**

**Answer:** Yes, in FY20, the agency conducted annual performance evaluations for its employees. Senior staff, including managers and the Chief of Staff, conduct the evaluations. Per DCHR guidelines, DSLBD managers meet with their staff and outline goals for the year. Evaluations continue throughout the year as managers conduct mid-year reviews with staff.

#### **Agency Operations**

**38. Please describe any initiatives that the agency implemented in fiscal year 2020 or 2021, to date, to improve the internal operations of the agency or the interaction of the agency with outside parties. Please describe the results, or expected results, of each initiative.**

- a. **Please discuss any update of the DSLBD SBE Goal Setting Module since its release on August 15, 2019.**
- b. **Please discuss any update of the new Sports Wagering CBE Compliance Management System since its release on December 3, 2019.**

**Answer (a):** Since its release in FY19, this module has streamlined the goal setting process by allowing the agency to use/import data from other data owners such as the Office of the Chief Financial Officer/System of Accounting & Reporting (SOAR) (*i.e.*, budget and expenditures), PASS/OCP for contracting data, and OCTO Pipeline data. The system is also used for the quarterly expenditure review process. Overall, the agency has an enhanced ability to capture expenditures with SBEs and a more transparent goal development process.

**Answer (b):** Since its launch, the Sports Wagering CBE Compliance Management System has been used to process and store all CBE plan and waiver requests for sports wagering license applicants. As of February 1, 2021, one Class A license was approved; one Class B license is pending determination.

**39. DSLBD's mission is to support the development, economic growth, and retention of District-based businesses. Can you please share how you work with other District agencies, such as DMPED, to achieve these goals? Specifically, what support and**

**resources related to technical assistance are you currently providing to businesses in the District of Columbia?**

**Answer:** DSLBD continues to partner across the entire administration for the advancement of small and local businesses. Partners include: DMPED, DOES, DDOT, DISB, OCP, DHCD, DGS, DCRA, OCTO, MOWPI, MONC, MOLA, MOCR, ONSE, DYRS, MOVA, MORC, OCA, MOCC, MOAAA, MOAPIA, CAH, OCTFME, among others. We believe deeply in collaboration towards the advancement of the Mayor's small and local business agenda.

For example, throughout the pandemic, DSLBD supported outreach for COVID-related DMPED, MONC, and DHCD grants including: the Small Business Recovery Microgrants, DC East of the River Small Business Economic Relief Microgrant Program for Wards 7 and 8, Small Business Resiliency Fund, Streatery Winter Ready Grant Program, and the Bridge Fund. DSLBD also plays an active role on the inter-agency District Economic Recovery Team (DERT) working to proactively coordinate business recovery.

In addition, in FY20, DSLBD and DISB partnered to launch the DC Capital Connector, a free, online matchmaking tool that connects small businesses to Community Development Financial Institution lenders and bonding agents with the push of a button. And more recently, in November, DSLBD held its annual District Connect business expo which allowed District businesses to participate in workshops and matchmaking sessions with contracting officers from OCP and beneficiaries. Legislatively, DSLBD worked with DDOT to introduce the "Power Line Undergrounding Program Certified Joint Venture Majority Interest Amendment Act of 2020" (A23-0547) to expand opportunities for CBEs in DC PLUG contracts.

In terms of technical assistance, DC PTAC is currently providing critical support for those businesses applying for federal COVID relief through the Coronavirus Aid, Relief, and Economic Security ("CARES") Act and the Consolidated Appropriations Act. DC PTAC also continues to provide support, training, and advisory services to District-based businesses seeking contracting opportunities with local and federal government.

**40. What are the agency's top five priorities? Please explain how the agency expects to address these priorities in fiscal year 2021. How did the agency address its top priorities listed for this question last year?**

**Answer:** The agency's current priorities are:

- Connecting local businesses to District and federal relief and resources;
- Adapting operations and offerings to virtual models to limit gaps in business supports and services during the pandemic;
- Assisting businesses to pivot operations and business models during the pandemic through townhalls and workshops;
- Strengthening the integrity of the CBE Program through legislative reforms to benefit *bona fide* local businesses; and
- Advancing executive policies through an equity lens.

Progress in these priority areas were underway in FY20 and will continue through FY21. Throughout the pandemic, DSLBD has been focused on administering and disbursing relief in the form of Robust Retail and Dream Grants and well as promoting the relief programs of agency partners such as DMPED, MONC, and DHCD. Our PTAC division continues to provide critical support for those businesses applying for federal COVID relief through the CARES Act and the Consolidated Appropriations Act. DSLBD has adapted many offerings and operations, most notably in the areas of compliance, and business development, to virtual models to close potential gaps in services to businesses in need. For example, this included transitioning to virtual site visits and spot checks, hosting an all-virtual District Connect business expo, and releasing a completely digital version of the sixth annual Green Book. The Mayor introduced the “Supporting Local Business Enterprises Amendment Act of 2020” (B23-959), a bill that makes sweeping improvements to the CBE Program’s certification criteria and ensures that subcontractors get paid timely by requiring primes to invoice the District at a regular cadence. Lastly, the agency’s mission is inherently about the expansion of, and fairness of access to, opportunities for local businesses. Therefore, the agency will continue to amplify the message of equity in our work as we explore new and innovative ways to further integrate this concept into our daily work and strategic initiatives.

Last year, the agency focused heavily on improving compliance and enforcement functions. In FY19, DSLBD, for the first time in the agency’s history, committed to conducting at least one unannounced spot check at the listed principal offices of over 1400 active CBEs. DSLBD also collected an unprecedented number of fines, which were used to further empower the District’s small and local business community. Through fines collected by DSLBD, the agency partnered with local Community Development Financial Institutions to provide local entrepreneurs with access to much-needed capital by leveraging \$200,000 into over 300 loans totaling \$1.5 million. These loans created or retained over 300 District-based jobs.

**41. Please list each new program implemented by the agency during fiscal years 2020 and 2021, to date. For each initiative, please provide:**

- a. A description of the initiative;**
- b. The funding required to implement to the initiative; and**
- c. Any documented results of the initiative.**

**Answer:** No new programs were implemented in FY20 or FY21, to date.

**42. How does the agency measure programmatic success? Please discuss any changes to outcomes measurement in fiscal years 2020 and 2021, to date.**

**Answer:** The agency coordinates efforts with the Office of the City Administrator to measure programmatic success and have several quantified measures within our performance reporting system. In addition to the single point quantitative measures we are able to collect, we regularly seek out qualitative feedback and encourage community members to reach out to agency staff at all levels to provide feedback to gain a comprehensive picture. We assess

each program on its own merits, based on our legal authority and duties, based on our judgement of needs within the small and local business community that we are able to address, based upon levels of engagement, and with an assessment of strengths and areas needing improvement.

**43. What are the top metrics regularly used by the agency to evaluate its operations? Please be specific about which data points are monitored by the agency.**

**Answer:** The agency fully utilizes its annual performance plan to outline annual priorities and ensure progress is made towards completing strategic initiatives and daily operations. Attachment “*DSLBD FY21 Performance Plan (Q26).pdf*” provides a listing of DSLBD’s current KPIs, workload measures, and strategic initiatives.

**44. Please list the task forces and organizations of which the agency is a member.**

**Answer:** The agency is a member of the following task forces and organizations:

- The Director represents the agency on a variety of Boards including: the Public Utility Commission, the Minority Supplier Development Collaborative, and the Washington Economic Partnership. The Director is also a member of the Business Recovery Task Force and is ready to serve and provide administrative support.
- DC PTAC remains a member with the Association of Procurement Technical Assistance Center, which advocates for the 98 PTACs across the country. DC PTAC also carries a membership with the National Contract Management Association for professional development and extended procurement resources.
- The Innovation and Equitable Development Division participates in the Innovation and Technology Inclusion Council, Food Policy Council, the Commission on Fashion Arts & Events, and on several committees of the Workforce Investment Council.
- The Agency IT Lead continues to represent DSLBD in the CIO meetings and the Interagency Data Group meetings.

**45. Please explain the impact on your agency of any legislation passed at the federal level during fiscal years 2020 and 2021, to date, which significantly affected agency operations.**

**Answer:** In FY20, the passage by Congress of the CARES Act had a significant impact on agency operations. DC PTAC’s primary focus shifted to help educate and assist District businesses to quickly apply for limited federal economic relief created through various provisions in the legislation, including, but not limited to: the Paycheck Protection Program, the SBA Loan Subsidy Program, and emergency economic injury disaster loans and grants. In FY21, DC PTAC continues to provide technical support and assistance to local businesses seeking relief through the most recent round of federal COVID legislation, the Consolidated Appropriations Act, which became law in late December 2020.

**46. Please explain the impact and implementation to date of legislation passed during fiscal years 2019, 2020, and 2021 to date. Specifically, please discuss the agency’s implementation of the following:**

**a. A23-0503, the “Racial Equity Achieve Results (REACH) Amendment Act of 2020.”**

**Answer:** DSLBD worked with DDOT to introduce the “Power Line Undergrounding Program Certified Joint Venture Majority Interest Amendment Act of 2020” (A23-0547) to expand opportunities for CBEs in DC PLUG contracts. No further implementation is needed at this time.

DSLBD is implementing new LBE requirements under the “Local Business Enterprise Clarification Emergency Amendment Act of 2020” (A23-0476) and continues to work with affected enterprises to submit updated applications before the end of the legislation’s grace period.

DSLBD is currently testing the inclusion of a new Equity Impact Enterprise designation as part of new DES upgrade per the Equity Impact Enterprise Establishment Act of 2020 subtitle, passed as part of the Fiscal Year 2021 Budget Support Act of 2020 (L23-0149).

**Answer (a):** As part of DSLBD’s Equity Framework initiative outlined in our FY21 Performance Plan, DSLBD will develop a uniform, agency-wide equity framework for ongoing program evaluation utilizing the Disadvantaged Business Enterprise sub-designation of the CBE law. This designation is reserved for persons who demonstrate diminished opportunities to capital or credit as a result of prejudice or bias. DSLBD will build the framework for program evaluation through surveys, pilots, and stakeholder engagement and will collect data from both existing and new data sources to more fully understand the landscape of equity for District-based businesses. Furthermore, DSLBD also held internal, proactive conversations surrounding the concept of equity so that staff can begin to be more mindful and deliberate in behaviors and decision making as we advance this District-wide priority.

**47. Please describe any steps the agency took in fiscal years 2020 and 2021, to date, to improve the transparency of agency operations.**

**Answer:** In FY20 and FY21, to date, DSLBD remained focused on improving transparency through the digitization of agency-wide projects and programs offered during the public health emergency. Some examples include:

- DC Art All Night 2020
  - DSLBD reimagined the DC Art All Night Festival and designed an engaging all-virtual event that attracted 23,000 live viewers of our Showcase Nights that featured businesses and creatives from all eight (8) Wards of the District. The event also hosted over 15 live online marketplaces that featured the businesses as well as services and products available for consumer purchase.
- Green Book 2021

- DSLBD launched a Green Book website with an interactive District Spend Data Dashboard where businesses can identify opportunities with ease while creating a unique search for their exact services/products.
- Agency Trainings & Workshops
  - DSLBD continues to provide engaging trainings and workshops. This year, we recorded and posted them on the DSLBD website for residents and businesses to access with ease.

**48. Please identify all electronic databases maintained by your agency, including the following:**

- a. A detailed description of the information tracked within each system;
- b. The age of the system and any discussion of substantial upgrades that have been made or are planned to the system; and
- c. Whether the public can be granted access to all or part of each system.

**Answer:** See attachment - “*DSLBD Electronic Databases (Q48).pdf*”.

**49. Please provide a detailed description of any new technology acquired in fiscal years 2020 and 2021, to date, including the cost, where it is used, and what it does. Please explain if there have there been any issues with implementation.**

**Answer:** In FY20, DSLBD acquired Articulate 360, a tool utilized by the Small Business Development division to provide training to businesses to help them grow their capacity. Articulate 360 includes both Storyline 360 and Rise 360, plus a slew of other authoring applications. Storyline 360 develops custom, interactive courses that work on every device; Rise 360 has the capability of building fully responsive courses in minutes. To date, courses offered include: CBE to Government: Procurement Basics and Roadmap to General Contracting Licensure in DC. There have been no issues with implementation of the tool. The cost is \$1,299/year.

**50. How many in-person training programs took place in fiscal years 2020 and 2021, to date?**

**Answer:**

- 24 Certification ‘Learn How to Become a Certified Business Enterprise’ webinars in partnership with DCRA in FY20; 7 ‘Learn How to Become a Certified Business Enterprise’ webinars, in FY21, to date;
- 40 Commercial Revitalization in-person trainings in FY20 (Main Streets comprehensive training from DCMS staff and National Main Street staff, Executive Director training, Board training, and QuickBase training); and
- 31 DC PTAC training events in FY20; 8 training events in FY21, to date.

**51. What training deficiencies, if any, did the agency identify during fiscal years 2020 and 2021, to date?**

**Answer:** The agency has successfully adapted trainings to virtual models in response to the pandemic. Aside from the standard limitation of not being able to conduct trainings in person, due to public health safety concerns, no deficiencies were identified in FY20 to FY21, to date.

### **Agency Programs**

**52. Please provide a detailed description of the Small Business Capital Access Fund, including any loans that were provided in fiscal years 2020 and 2021 to date. What is the agency's criteria for approval of the loan? What was the total number of loans granted in fiscal years 2020 and 2021, to date, and what is the remaining balance in fiscal year 2021?**

**Answer:** The Small Business Capital Access Fund (Fund) is a non-lapsing fund that is used in accordance with DC Official Code § 2-218.75, to:

- Grant the local funds necessary to obtain federal matching funds to establish a procurement technical assistance program in the Department;
- Make a one-time grant in an amount of \$50,000 to provide operating support to a newly formed business association in Ward 3; and
- Provide financial assistance, including grants, loans, and loan guarantees, to eligible recipients.

The criteria for the approval of loans supported by the Small Business Capital Access Fund is that the businesses are open, operating, licensed to operate in the District and a local business as demonstrated by LBE certification or eligible for LBE certification.

In FY19, 281 loans were issued to District businesses by lenders using DSLBD-support totaling \$1,426,193.54; in FY20, 157 loans were issued totaling \$402,350. As of as of September 30, 2020, the remaining balance of the Small Business Capital Access Fund for loans in FY20 was \$1,595,957.68.

**53. Please provide an update of the District Capitalized Program. Does the agency have plans for expanding this program in fiscal year 2021?**

**Answer:** The District Capitalized Program supports financing District businesses and District residents seeking to start a business by meeting them where they are and:

- Providing financing products appropriate to their needs, stage, type and repayment capacity, which includes but is not limited to: loans, lines of credit, letters of credit, grants, collateral support, and 28 other products to support various business needs (*e.g.*, contract financing, commercial space acquisition);
- Providing technical assistance needed to build their credit, access capital, and repay loans, which includes, but is not limited to: individual coaching, group training workshops; and evaluation and feedback on financials; and written guidance (tip sheets);
- Building the capacity of community partners (*e.g.*, CDFIs and other lending entities) through the provision of matching funds and fostering the coordination of services

and resources so that District Capitalized efforts can be extended to more District businesses, residents, and entrepreneurs.

In FY20, DSLBD expanded the District Capitalized Program to:

- Create a new loan loss reserve product via a \$200,000 grant to City First Enterprises, which used the funds to offer small lines of credit funds to qualified District businesses and resident entrepreneurs to help operate and grow their business including supporting contract bridge financing;
- Promote local lenders (CDFIs) and their DSLBD-funded financing products via collateral material development, group workshops, and one-on-one Ask-an-Expert consultations;
- Award \$415,000 in Robust Retail grants to 106 businesses;
- Create a new District Capitalized Microloan product via a \$100,000 grant to Life Asset; and
- Host the DC Capital Connector.com lender/bonding agent matching portal via a \$99,960 grant to Sou Sou Investment Solutions.

**54. Please explain the goals and objectives of the Made in DC Program. Specifically, provide the Committee with:**

- a. What are the goals for the success and growth of this program that are different from the last fiscal year especially in light of the pandemic and how is success being measured?**
- b. How long does it take for applicants to apply and certify for the program? For fiscal years 2018, 2019, 2020 and 2021 to date, how many have applied each year?**
- c. Last year, the agency reported that it was working to “overcome brand confusion,” build strategic partnerships, and “ramp up outreach and engagement.” Please discuss if the agency met these goals and the steps it took to accomplish them.**
- d. With the challenge of the pandemic before us, how did the agency fair in promoting the program and recruiting businesses to enroll?**
- e. How many businesses signed up in fiscal years 2020 and 2021, to date to be a part of the Made in DC program?**
- f. How many FTEs do you currently have dedicated to this program? How many are needed for this program to be successful?**
- g. What innovative ideas has DSLBD created or come together with small businesses to help better coordinate this program especially under the current public health emergency?**

**Answer (a):** The overall goal of the Made in DC program is to fully and faithfully implement and maintain the requirement of the Made in DC law, and to continue to catalyze the deep love that this city has for all things DC. This includes several sub goals:

- Protect and promote the Made in DC logo and brand;
- Include businesses that are DC-Based Brands that create, manufacture, and design products in DC;

- Right size public expectations of what Made in DC certification means, to include intellectual property such as art, music, photography, and similar products;
- Pursue partnership with anchor institutions and businesses that curate and sell Made in DC products, and similar entities;
- Promote DC-Based Brands with Made in DC product;
  - Within that, provide appropriate if differentiated recognition and promotion for all DC-Based Brands who consider themselves to be part of Made in DC
  - For businesses that are not official members, we provide support if they are operating in DC as DC-based businesses and entrepreneurs
- Increase recruitment of DC-based businesses with Made in DC products;
- Create direct opportunities for official Made in DC businesses;
- Encourage collaborations with Made in DC brands to increase marketing, sales, and revenue;
- Create a recertification process for Made in DC certification renewal and a fully revised application process and website;
- Provide training and technical assistance to informal businesses, primarily in the arts and start-ups, who are interested in Made in DC but require business licensing to be able to formally apply;
- Connect and share best practices with “Made In” programs in other cities and jurisdictions; and
- Continually review the program and brand for equitable inclusion of businesses.

We monitor the number, types, and geographic locations of businesses that apply as well as businesses that interact with or claim the brand beyond application in the formal program. We also monitor the success of initiatives to create promotion and market access, such as the Reagan Airport Kiosk and the Downtown Holiday Market. While the Kiosk was suspended due to COVID-19, the partnership with the Downtown Holiday Market continued with a curated, Made in DC Booth that helped DC Makers raise \$80,000 in revenue.

**Answer (b):** Application review and acceptance can typically happen within five (5) business days if applicants are eligible and provide all appropriate eligibility documentation (primarily appropriate business licensing and sufficient proof of residency). However, there are several reasons for delay that can and do occur regularly, primarily due to users not knowing how to use the QuickBase application system.

	FY17	FY18	FY19	FY20	FY21
Expressed Interest	208	296	222	144	58
Ineligible to Apply	49	93	75	33	13
Completed Applications	213	102	45	36	9
Application Deficient	NA	8	9	10	8
Application Denied	NA	2	0	0	0
Accepted	82	92	36	17	1
Pilot Members automatically	104	NA	NA	NA	NA

enrolled					
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In 2017, DSLBD staff entered records directly for applicants that were included in the FY16 pilot program, making the application statistical data from FY17 unreliable. In early FY19, we faced an application backlog as we worked through a staffing transition. In FY20, applications came in at a steady stream until the pandemic began, and then applications slowed down significantly as businesses focused on other things. In FY21, we are partnering with DCRA's Small Business Resource Center to help applicants learn more about business licensing, a common requirement of Made in DC certification that businesses are missing.

**Answer (c)-(d):** We continue provide general clarification on common brand confusion while maintaining a high sense of positivity about the brand. In FY21, we are reformatting to build current and new strategic partnerships to support recovery. DSLBD continues to engage the business community to provide information about Made in DC certification. While formal membership in the program is 332 certified businesses, the email list of interested entities and individuals is over 1,000. To increase recruitment, DSLBD has structured opportunities like the Made in DC kiosk at Reagan National Airport and booth at the Downtown Holiday Market, partnered with creative organizations, held regular office hours for small businesses, worked closely with multiple retail channel partners, and conducted significant outreach on social media with a heavy presence on Instagram. The @thisismadeindc Instagram is a strong outreach platform with over 38,000 followers where we engage hundreds of Made in DC eligible businesses with strong promotion and support.

Also, please refer to the response to question 54(g) for additional information on some of the innovative ways DSLBD performed outreach and engagement during the public health emergency.

**Answer (e):** We have received a total of 928 expressions of interest and a total of 409 applications of which 332 were accepted in the program. Our current assessment in the drop off between interest and acceptance are from survey and anecdotal information:

- Two step application process in QuickBase is error prone, confusing, and creates drop off;
- Applicants have significant brand confusion between the formal certification and external retail opportunities;
- Applicants are not actually licensed in the District;
- Applicants are not District residents; and
- Applicants determine little benefit from certification (no formal incentives).

**Answer (f):** We have one (1) FTE dedicated to this program. With the current program goals, one FTE is needed for this program to be successful.

**Answer (g):** In the first three (3) years, the Made in DC program expanded rapidly and is now continuing to work through a reset from the initial strong public excitement and through learnings and course corrections. The innovations are large and small and we have highlighted some of the most significant below:

- *Percentage of sales rent for commercial space.* The Made in DC program has demonstrated direct involvement in four (4) successful projects where the percent of sales rent, as opposed to a flat rental rate, concept has resulted in strong financial outcomes for all parties. These examples have helped to enfranchise this concept as one that businesses have continued to explore as part of the pandemic and recovery response. Essentially, a landlord will cap the monthly rent at a percentage of sales instead of a fixed rate (with a floor and ceiling for total dollar amount). This provides retailers with flexibility to test, establish, and grow a new concept. It also provides landlords with occupancy for the short term without devaluing the property long term.
  - *Shop Made in DC.* Through the initial support of the Shop Made in DC store in the first two (2) years of the program, DSLBD supported a retail concept that was based on a rent cap at a percent of sales. There are several factors that lead to Shop Made in DC enormous success, but we recognized this element was critical in the early years and was a best practice that is utilized elsewhere.
  - *Reagan Airport.* Through the collaboration with the Metropolitan Washington Airports Authority (“MWAA”), DSLBD used this concept and created a national model for “Made In” programs to assess for working with intense retail environments like airports. The pilot kiosk was so successful, it has been made permanent. The operator has taken on several additional pop ups, and brands in the kiosk have been able to expand to their own locations for shops within the District. The kiosk, which is deeply local and authentic, has outperformed all other retailers within the airport.
  - *Downtown Holiday Market.* While the booth at the Downtown Holiday Market in the past two (2) years has been donated by the Downtown BID, we used the concept from the airport in year two for the opportunity to be competitive and to offer an emerging brands booth of multiple Made in DC brands new to the holiday market. This is the largest holiday market in the DC area, and participating brands both receive a significant sales bump as well as exposure to an intense vending environment. Several makers from last year chose to enter the market this year fully prepared, and several makers this year significantly increased their sales. This year, the booth was operated by a curator who maintained a parentage of sales to ensure full operation of the booth.
  - *Femme Fatale and Mt. Vernon CID.* While we were not directly involved in lease conversation, we shared the percentage of sales best practices from this (and several other examples) with the Mt. Vernon CID as they sought a tenant for a restaurant space, and further made introductions to Made in DC retail concepts that were seeking space. The fifth Femme Fatale pop-up opened up in Mt. Vernon to help refurbish the space and support over 50 female makers and artisans with sales opportunities, workshops, and networking. While that location recently ended its short lease, it remains an example of what is possible.
- *Intentionally Making Made in DC Inclusive.* In the first few years of Made in DC, the branding and promotion highlighted the program as deeply and intentionally exclusive. We made an intentional strategy correction to expand program certification

to the full corners of the written law, while creating a tone of openness, transparency, inclusion, support, and hyper positivity.

- *Demanding Respect for Makers.* We saw a growing trend of events simply adding maker markets to any and all events as an add on, whether or not the market was a valuable or even properly promoted vending opportunity for makers. We heard from many makers that they attended out of respect and to support their city, but they lost money in the endeavors. We worked to carefully reset the expectations of partners across the city to consider whether their inclusion of makers and Made in DC was of benefit or harm to these small businesses, and to either work to make it beneficial or not do this.
- *Educating Markets & Promoting Vending Opportunities.* As part of this, we have educated several markets across the District on how to operate an appropriate vendor call. It is important to recognize that not all Made in DC members vend at markets. We support new market operators in thinking through strategy and best practices for setting up a success market that achieves their goals. While market operations were significantly curtailed due to the pandemic, we supported makers innovating their models to either start online sales, or incorporate into safe, socially distanced markets that continued like farmers markets.
- *Removing DSLBD from Picking Winners and Losers.* In the early build of the Made in DC brand, DSLBD sought access for makers at vending events and elsewhere. We typically operated a first come, first serve for such opportunities, but this was fraught with communication challenges. We have reset a policy that DSLBD does not make any determinations for who will have a market opportunity, and structure all processes to be fair and competitive with the selections being made external to DSLBD.
- *Asking for Free Things for Makers.* We are aggressive in asking that institutional partners offer free resources to makers. While that may not seem innovative, it is a transition from initially paying for access for makers. We suggest the inclusion of the Made in DC brand and concept, and encourage institutions to boost their own positive brand image by fairly and transparently including smaller brands.
- *Emerging Brands recognition.* As the Made in DC community is broad and diverse in many ways, we are working to overcome the public's preconceived notions of what and who a maker is and is not. Within that, we are working to develop a concept of emerging brands in need of greater support than established brands, to help the public see maker businesses at all stages of development.
- *Creation of a Makers Loan Fund.* Related to the Made in DC kiosk, we worked with WACIF to create a specific, pilot loan product for makers to help scale inventory for major sales opportunities like the airport, the Downtown Holiday Market, etc. One of the major barriers that small makers face as they enter the market is that many retail opportunities require significant inventory and inventory controls, two systems that are out of reach without a capital infusion. The WACIF Made in DC loan was a huge success, and we hope that it will expand and be replicated.
- *Partnering with Arts, Music (202Creates, Commission on Arts and Humanities, the Musicianship).* We recognized that the law and the concept of Made in DC is broad and includes creatives who choose to see their work as a business. We co-operated the 2019 Business of the Arts Series with the Commission on Arts and Humanities,

- training portions of our Build a Dream Curriculum and creating new content, and permanently partnered with 202Creates to be onsite in their space weekly providing free technical assistance that is open to the public to cross promote 202 Creates, DSLBD, and Made in DC. We have participated in multiple training sessions and events with 202 Creates and met with hundreds of creatives through this collaboration. Our goal is to continue these collaborations when we reopen to in person programming centering our outreach at the refurbished MLK Central Library in Chinatown, DC and their expanded maker's space.
- *Intense Social Media Activation and Promotion through Instagram.* Instagram is the preferred social media channel for the Made in DC community—it allows for direct sales and strong visuals of products. DSLBD has grown @thisismadindc to be one of the largest DC government Instagram accounts with a strong following and high level of recognition. We developed the following in the first 2 years, deeply activated the account in FY19. In FY20, we partnered with the DC Main Streets to highlight local businesses across the District, highlighted the work of DC brands by reposting, and utilized the live recording function to gain attention by interviewing makers. We will refine the outreach in 2021.
  - *Cross-Jurisdictional Best Practice Sharing.* We made specific outreach to Made in Baltimore. We share best practices, recognize where the maker communities overlap (using maker spaces that are available in Baltimore, selling in both markets, etc.), and when helpful, make referrals to businesses seeking support in our respective cities.
  - *Retail Channel Partnerships.* DSLBD is working to develop a concept of Made in DC Retail Channel partnerships. This is a best practice from Made in Baltimore to highlight and support retailers who carry three (3) or more Made in products. While this is still in the conceptual stage, it has helped us think through how to support the overall market, to make partnerships with retailers, to include Made in DC products in the scoring criteria for Robust Retail grants, and to help makers understand and explore how to be retail ready and work with curators.
  - *Discovering and promoting over 20 Holiday Markets during the pandemic.* In continuing to recognize that Made in DC and retail opportunities are extensive within the District, and that all retail benefits from marketing support, we discovered and promoted over twenty (20) holiday markets in the District in 2020.

**55. Please provide an update on the Aspire to Entrepreneurship Program, including:**

- a. The number of local businesses created by the program in fiscal years 2020 and 2021, to date;**
- b. A description of the types of businesses created by the program; and**
- c. The resources devoted by this agency to the program.**

**Answer (a):** In FY19, DSLBD Aspire programming expanded from creating new businesses to sustaining and building resilience in already existing businesses. To that end, we introduced Aspire Side Hustle which was intensive entrepreneurship training administered through part-time programming. Other programming funded through the Aspire to Entrepreneurship grants included: the Opportunity Zone Justice Accelerator, which provided comprehensive technical support and training to 4 revenue-positive returning citizen

businesses exploring investor backing; the Coming Home Coop, which created an online community for returning citizen business owners to share resources, provided pro-bono accounting support, and pro-bono branding support; and the Marvin Gaye Loop and Agrotourism Enterprise which developed a tour guide training program for returning citizens to provide tours for urban gardens in Ward 7.

- Aspire Side Hustle
  - Through Aspire Side Hustle, a total of sixteen (16) businesses completed programming, but many more (up to fifty (50) more) accessed one-on-one training to move their business forward. Nine (9) new businesses were licensed through DCRA, three (3) new businesses through Washington Metropolitan Area Transit Commission, two (2) were already licensed but fully participated in entrepreneurship training, and two (2) required additional resources (funding for commercial lease needs) to meet licensing requirements. Those who were ready to seek financing were connected with Life Asset to apply for microloans to grow their business.
- Opportunity Zone Justice Accelerator
  - Provided intensive business coaching to four (4) established returning citizen business owners which included an assessment of strengths for the businesses and the owners, preparing them to be investment ready and ensure returning citizens are not left out of the opportunity zone window. The programming resulted in nationwide media coverage and attention. One business secured \$250,000 in seed capital and is continuing to raise funds, one secured low-bono marketing support and leads on potential contracts, one secured a three-year contract with the District valuing \$1 million, and one was approached for collaborating on a strategic partnership in another jurisdiction.
- Coming Home Coop
  - Provided the needed support to business owners who have the acumen, but still benefit from additional resources to clarify business practices. In addition to creating an online meeting place for returning citizen business owners to share resources and opportunities, the Coop funded twenty-two (22) businesses in accessing marketing support, twelve (12) in accessing accounting support, 10 in a small business legal course, and held three workshops on marketing, accounting, and technology for the returning citizen business community.
- Marvin Gaye Loop and Agrotourism Enterprise
  - Created the opportunity for revenue generation for a returning citizen led urban garden and skill development on what it means to run a touring program.

In FY20, DSLBD worked directly with the Mayor's Office of Returning Citizen Affairs to provide open office hours for any returning citizen interested in technical assistance, but these sessions were curtailed by the pandemic. DSLBD created an Aspire Pitch Program model, in partnership with the Creative Affairs office, to support a mixed cohort of creative and Aspire entrepreneurs in spring 2020. However, as the program was designed to be in person, program recruitment and operation were paused in March 2020 due to the pandemic. Funding for the program was then reallocated within the administration to support the overall government response to the pandemic.

In FY19, and the early part of FY20, DSLBD staff also worked to coordinate with partners in the ONSE Office, the Department of Youth Rehabilitative Services, and DC Jail to offer basic business training and programming. The ONSE Office Pathways program was the most successful and durable program offering, culminating in a business pitch for which participants received funding from the ONSE office and support from DLSBD in expending the funding on the business.

**Answer (b):** In Aspire Side Hustle, participants were interested in licensing landscaping, property management, transportation, theater advocacy, healthy juices, janitorial and residential cleaning, tattooing, construction cleaning, and real estate companies. The diversity of business types remained as we provided one-on-one support through technical assistance. Aspire continued to touch many businesses and the types are as diverse as the District. In our technical assistance in FY20, we also saw a diverse set of business interests which notably included a high interest in understanding the legalities around cannabis-based businesses, given the public policy discussion around decriminalization. We also regularly see a high interest in creating non-profits that support youth and the general benefit of communities.

**Answer (c):** Annually, the agency has dedicated one (1) FTE and \$250,000 in grant funding to support programming, although the funding was reallocated in FY20 when in-person programming was curtailed due to the pandemic. This additional funding and dedicated FTE allow DSLBD to expand Aspire programming to include support for both businesses at their inception and in their growth stage. This expansion provides for many non-measurable wins, such as increasing credit scores, developing wealth literacy, unlocking opaque vocabulary while recognizing transferable knowledge and skills, and becoming comfortable in interfacing with more formal systems which adds to the fair shot of becoming wealth builders in the District. Expanding the types of support that are available and meeting returning citizen business owners where they are will help to build resilience and build wealth among the returning citizen business community. It is important to note, that while it is not easily trackable, we continue to learn of the splash effect of Aspire and how community members who are in contact with Aspire participants become more engaged with business ownership and entrepreneurship from the learning and examples of the Aspire participants they know and/or are related to.

**56. Please explain any new development on how the agency uses the Procurement Technical Assistance Program to enhance business counseling and technical assistance to assist small businesses in obtaining local, state, and federal government contracts. Please also include an analysis of the agency resources devoted to this program.**

- a. Please describe how PTAC advances the Department's mission to support local and certified business enterprises?**
- b. How many CBEs or SBEs interacted with the PTAC program in fiscal years 2018, 2019, 2020, and 2021, to date?**

**Answer:** Throughout the pandemic, DC PTAC continues to provide critical technical assistance support for those businesses applying for federal COVID relief through the

CARES Act and the Consolidated Appropriations Act. PTAC also continues to provide support, training, and advisory services to District-based businesses seeking contracting opportunities with local and federal government.

DC PTAC is a grant-funded program through the Department of Defense. There is a defined match for DSLBD. For the total program cost:

- 75% of the funding is from the Federal government
- 25% of the funding is from DSLBD

**Answer (a):** Generally, the agency utilizes DC PTAC as a tool for preparing small businesses for federal and local contracting. DC PTAC focuses on business and procurement readiness as well as growth and acceleration for eligible District-based small businesses. DC PTAC offers an array of business development support services including navigational assistance, business and procurement training, market research, bid matching support, and strategic business development instruction. In terms of dedicated resources. In FY20, DC PTAC connected local businesses to approximately \$20 million in contracting opportunities.

**Answer (b):**

FY18	FY19	FY20	FY21
142	414	354	69 (Q1)

**57. Please provide an overview of DSLBD’s efforts to assist with the retention of small and local businesses. Are there any new retention initiatives envisioned for this year?**

**Answer:** In order to retain District businesses, the agency has prioritized helping them to pivot and survive during the public health crisis. As noted in our response to question 40, throughout the pandemic, DSLBD has been focused on administering and disbursing relief and over funding in the form of Robust Retail and Dream Grants as well as promoting the relief programs of agency partners such as DMPED, MONC, and DHCD. Our PTAC division continues to provide critical support for those businesses applying for federal COVID relief through the CARES Act and the Consolidated Appropriations Act. DSLBD has adapted many offerings and operations, most notably in the areas of compliance and enforcement, and business development, to virtual models to close potential gaps in services to businesses in need. For example, this included transitioning to virtual site visits and spot checks, hosting an all-virtual District Connect business expo, and releasing a completely digital version of the sixth annual Green Book. Also, the Mayor introduced the “Supporting Local Business Enterprises Amendment Act of 2020,” a bill that makes sweeping improvements to the CBE Program’s certification criteria and ensures that subcontractors get paid timely by requiring primes to invoice the District at a regular cadence. Lastly, the agency’s mission is inherently about the expansion of, and fairness of access to, opportunities for local businesses. Therefore, the agency will continue to amplify the message of equity in our work as we explore new and innovative ways to further integrate this concept into our daily work and strategic initiatives.

**58. Last year, the agency reported that there was a delay in completing the new District Enterprise System (“DES”) due to funding pressures in fiscal year 2019 and the fact that the agency had to work closely with other agencies to enable the transparency portal to work effectively. Please provide an update on the system and if these issues have been fully resolved. Also, please discuss the following:**

- a. Whether the Compliance Module has been completed and the implementation of the Grants Management and Business Opps Module has begun;**
- b. Whether any new funding was allocated to developing or upgrading the system in fiscal years 2019, 2020, and 2021, to date;**
- c. The number of FTEs devoted to managing and maintaining the system; and**
- d. The output and deliverables for fiscal years 2019, 2020, and 2021, to date.**

**Answer (a):** DSLBD did not receive Capital funding as proposed for FY21. However, DSLBD was able to continue development through intra-district transfers and unspent Capital funding from FY19. In FY20, due to COVID-19, there was a spending freeze which affected DES. Also, some members of the DES development team were reallocated to support DOES and DCPS’s COVID response. Due to these circumstances, we were unable to complete the Compliance Module and start Grants Management and Business Opportunities Modules. However, there were other outputs and deliverables completed in FY20 (See attachment - “*DSLBD DES Outputs and Deliverables (Q58d).pdf*”).

**Answer (b):**

	Budgeted	Spent	Balance
<b>FY19</b>			
Capital from DSLBD (\$90K+\$166K)	\$256,000.00	\$256,000.00	\$0.00
Capital DMGEO/OCTO	\$194,000.00	\$194,000.00	\$0.00
<b>FY19</b>	<b>\$450,000.00</b>	<b>\$450,000.00</b>	<b>\$0.00</b>
<b>FY20</b>			
Capital \$400K rcvd	\$400,000.00	\$400,000.00	\$0.00
Capital \$130K from DSLBD	\$130,000.00	\$130,000.00	\$0.00
<b>FY20</b>	<b>\$530,000.00</b>	<b>\$530,000.00</b>	<b>\$0.00</b>
<b>FY21</b>			
Capital from OCTO (Oct - Dec)	\$140,000.00	\$140,000.00	\$0.00
<b>FY21</b>	<b>\$140,000.00</b>	<b>\$140,000.00</b>	<b>\$0.00</b>

**Answer (c):** Two (2) FTEs (Agency IT Lead and IT Specialist) manage and maintain the system.

**Answer (d):** See attachment - “*DSLBD DES Outputs and Deliverables (Q58d).pdf*”.

**59. In 2018, the Council amended the Sports Wagering Lottery Amendment Act of 2018 to allow the Department and the Office of Lottery and Gaming to establish small business training programs. In fiscal year 2021 budget, the Council included a \$250,000 enhancement to the Department’s budget to support this endeavor. Please provide an update on this funding.**

**Answer:** Carrying over from FY20, the public health crisis required that the Department continue its focus on addressing the immediate, and continuing, need of helping small and local businesses pivot and sustain operations during the beginning of FY21; however, DSLBD continues to build upon the pre-COVID outreach performed in FY19 and the beginning of FY20. As part of last year’s DC Local Business Expo, held in July, the agency prioritized the inclusion of a workshop/breakout entitled “The State of Sports Betting in DC” in partnership with the Office of Lottery and Gaming (“OLG”). Also, our staff actively collaborates with the OLG, generally, and works with Class A and B vendors/applicants to ensure that the CBE community is engaged in, and prepared for, any upcoming potential opportunities.

**60. The Committee allocated up to \$1 million to DSLBD and DMPED to fund the Equity Impact Enterprise Establishment Act in the BSA as well as the database to support the study. Please provide a status report on this funding.**

**Answer:** Out of these funds, DSLBD was allocated \$120,000 for technical updates the DES system to include the new Equity Impact Enterprise designation created as part of the Act. As of January 19, 2021, this update is in the test phase and the agency plans to move the changes to production in late January/early February. Completion is slated for this month. The remaining funds were allocated to DMPED for the Disparity Study.

**61. Committee allocated \$130,870 to support the creation of a new Clean Team in Ivy City beginning at Mt. Olivet Road, NE, to West Virginia Avenue, NE to Fenwick Street, NE to Gallaudet Street, NE to Kendall Street, NE, back to Corcoran Street, NE and concluding at Mt. Olivet Road, NE. Please provide a status report on this funding.**

**Answer:** The FY21 grant for this service area has been awarded to Saving Our Next Generation. The agreement was executed on October 14, 2020.

**62. The Committee made the following policy recommendations to the agency in its Fiscal Year 2021 Budget Report. Please provide an update on how the agency has addressed the Committee’s recommendations.**

- a. Using the full authority provided under the law to penalize agencies that failed to meet less than 80% of their SBE goals.**

**b. Collaborating with DMPED to ensure the successful and timely completion of the Fiscal Year 2021 Disparity Study.**

**Answer (a):** No agency that failed to meet their SBE spend goal demonstrated a willful disregard of the law’s CBE goal requirements (*i.e.*, bad actors); therefore, DSLBD continues to work more closely with agencies to make progress towards achieving these goals going forward. DSLBD also understands that agency circumstances and budgets evolve and change throughout the fiscal year, so it is imperative that the Department prioritize working in partnership with District agency directors, contracting officers, and CBE liaisons in order to understand what circumstances contributed to a failure to meet future goals.

**Answer (b):** DSLBD continues to collaborate with DMPED on completion of the Disparity Study. The Disparity Study RFP was released in November 2020 and responses were due back January 27, 2021. DMPED plans to make an award in March.

**Business Enterprise Certification and Recertification**

**63. The agency has reported a consistent drop in CBE applications since fiscal year 2018. In fiscal year 2017, the agency received 1044 CBE applications. In fiscal year 2018 however, it received 921 CBE applications and in fiscal year 2019 it received 675 applications. What is the total number of CBE applications that was received in fiscal year 2020?**

**Answer:** The previously reported numbers for FY16-18 were incorrect because this workload measure did not exist until FY19. Instead of creating a new measure, the figures for an existing measure - “Number of individuals completing the CBE Program webinar” - were inadvertently assigned to the new replacement measure - “Number of CBE applications received”. Therefore, the reported figures of 1155 (FY16) and 1044 (FY17) should have been associated with the number of individuals completing the CBE Program webinar and not applications received.

Below are the actual numbers for CBE applications received since the agency added the measure.

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY 2020 Actual
Number of CBE applications received	New Measure in FY19	New Measure in FY19	New Measure in FY19	675	582

**64. Please describe any changes you have made in the last fiscal year or anticipate making to the certification process to ensure that the process and applications trend in the right direction.**

**a. Please discuss the steps the agency will be taking to inform the public of these changes.**

**Answer:** Legislatively, in FY20, the Executive introduced the “Supporting Local Business Enterprises Amendment Act of 2020.” This bill was recently reintroduced in Council Period 24. Among many sweeping changes, passage of the bill will strengthen the integrity of the certification process by permanently tightening eligibility requirements for becoming a local business enterprise (“LBE”), the prerequisite for gaining entry into the CBE Program. More specifically, the Act requires a business applying for certification as an LBE to be “independently owned and independently operated,” in order to thwart out-of-state, larger businesses from establishing a “local” office for the purpose of gaining preference for District contracts and procurements.

Logistically, in FY18, DSLBD released the first phase of the DES, which replaced DSLBD’s CBE Business Online System. This release addressed concerns from the business community related to the usability of the online application system and the steps required to complete the CBE application and recertification processes. DSLBD continues to propose and complete enhancements to the system to further streamline the certification process.

DSLBD informs the public of these efforts, upgrades, and changes via standard communications channels, such as: email, our website, public events, and working group meetings with CBE firms.

**65. How have you expanded the agency’s online services over the past fiscal year? Specifically, describe how DES’s progress has helped to improve the certification process. Please note whether:**

- a. The changes in DES have improved the number of applications the agency processes;**
- b. The division is making final determinations (approving or denying) faster; and**
- c. The agency has received feedback or other tangible evidence on how the DES has improved outcomes.**

**Answer:** No new system updates were made in FY20. The release of the new DES on April 30, 2018, provided customers with expanded browser options (*e.g.*, Chrome, Safari, and mobile iOS and Android). The old system, CBE Online, was only compatible with Internet Explorer 9 or above. The DES also allowed for a shorter, more streamlined, application for both new applicants and existing CBEs by reducing the application process from sixteen (16) steps to eight (8) steps and the recertification process from nine (9) steps to two (2) steps. Furthermore, with DES, businesses with no material changes (since the last approved application) may continue to receive their certification number instantly, preventing potential gaps in certification status. Lastly, the upgrade to DES has allowed businesses to conveniently make general changes to their CBE profile, such as: business email address, business description, and business contact information.

While the customer experience has been streamlined, the pace of processing is tied to staffing, applications received, and workload management and in FY20.

With the functionality of DES, the division has been able to continue with the processing of applications during the pandemic, without disruption, through instituted changes, such as virtual site visits.

**66. Please provide the committee with a chart depicting the number of business enterprises certified in each CBE category for the past three fiscal years. Please also note how many have sought to self-certify as a disadvantaged business enterprise and were denied. If any were denied, please explain why.**

- a. Pursuant to DC Official Code 2-218.33(b), a business enterprise affiliated with another business enterprise through common ownership, management, or control can also be eligible for certification if certain conditions are met. How many such DBEs affiliated with another business enterprise actually received designation as a DBE?
- b. Please provide a list of all DBEs. Where possible, please provide a breakdown by ward, race, and gender (understanding that this information would only represent those who have chosen to self-certify by race and gender).

**Answer:**

Certification Category	FY18	FY19	FY20
Local Business Enterprise (LBE)	1,771	1,958	1,987
Veteran Owned Business (VOB)	113	121	121
Small Business Enterprise (SBE)	1,677	1,855	1,875
Resident Owned Business (ROB)	1,000	1,097	1,108
Longtime Resident Business (LRB)	146	145	130
Local Manufacturing Business (LME)	2	3	4
Development Enterprise Zone (DZE)	1,075	1,189	1,188
Disadvantaged Business Enterprise (DBE)	877	965	971

The self-recertification process allows businesses with no material change in address, ownership, or eligibility as an SBE to attest to no change and receive their CBE number immediately. A request for the DBE designation is tied to the LBE designation and is vetted by the certification division during the CBE application process - this is not a category that is granted via self-certification.

**Answer (a):** This information is not specific to the DBE designation and is not tracked. Each request for the DBE category within an application for CBE certification is evaluated independently and is part of the overall evaluation of whether a business meets the local requirements of the CBE program.

**Answer (b):** See attachment - “DBEs by Race Gender and Ward (Q66b).pdf”.

**67. How many applications for business enterprise certifications were received in fiscal years 2020 and 2021 to date? How many re-certifications?**

**Answer:** In FY20, DSLBD received 582 applications. The application types included in this total are: CBE (333), Full-Recertification (92), and Change Requests (157). As of December 7, 2020, DSLBD has received 101 applications for FY21. The application types included in this total are: CBE (63), Full-Recertification (9), and Change Requests (29). This response does not include businesses that completed a self-recertification affidavit as a part of the self-recertification process.

**68. What is the current number of certification specialists on staff?**

**Answer:** As of February 1, 2021, there are five (5) certification specialists.

**69. What is the average monthly rate of applications reviewed by certification specialists?**

**Answer:** In FY20, the certification division processed 76% of applications in 30 business days or less and 95% in 45 business days or less.

**70. How many CBE applications are processed by a certification specialist in fiscal years 2019 and 2020 respectively?**

**Answer:** In FY19, the certification division processed 536 applications. In FY20, the certification division processed 439 applications.

**71. How many certifications were revoked in fiscal years 2020 and 2021, to date, and for what reasons?**

**Answer:** In FY20, five (5) businesses were revoked as the businesses no longer qualified as local business enterprises. In FY21, as of February 1, 2021, DSLBD has not revoked any businesses.

**72. For fiscal years 2019, 2020, and 2021, to date, what was the average wait time for processing business enterprise certification applications, and what was the number and percentage of CBE certifications that were processed within the average wait time? What was the average wait time for re-certification applications? Has the DES helped reduce these numbers?**

**a. What has the agency done to reduce the wait time?**

**Answer:** As of December 7, 2020, the Certification division had processed 52 applications in FY21 (CBE - 34, Full-Recertification - 4, Change Requests - 14). Thirty-five (35) of the 52 applications, or 67%, had been processed in 30 business days or less. Forty-six (46), or 88%, had been processed in 45 business days or less.

The release of the new DES on April 30, 2018 streamlined the customer experience and how certification specialist navigate applications. The pace of application processing, however, is tied to staffing, the submission of applications and workload management, not how the system was built.

**Answer (a):** The DES has helped to simplify the CBE application and recertification processes for customers. The wait time businesses experience, however, is tied to their responsiveness, the completeness of applications, and workload management. The DES has helped the division track these areas.

**73. For certification and re-certification applications found deficient, what is the average time before an applicant receives official notice of the agency's determination?**

**Answer:** DSLBD continues to address any defects that are found during the submission or processing of an application within the DES to assist in reducing the wait time for businesses seeking certification. A notable feature of the DES is that businesses can continue to work within the same application submitted to the Department when deficiencies are identified. In the old CBE Business Online System, DSLBD would close deficient applications and require a business to resubmit a new application. This affected the wait time metric for processing applications. In FY20, 87% (381 applications) were reviewed upon submission to DSLBD within 10 business days or less.

**74. Please provide an analysis of the complaints received in fiscal years 2019, 2020, and 2021, to date regarding the certification process. Please include:**

- a. The number and percentages by certification and re-certification;**
- b. A description of the most common complaints;**
- c. A description of the actions taken to address and reduce these common incidences; and**
- d. A description of the process areas that remain the most problematic for clients.**

**Answer:** For the certification division, complaints would come in the form of an appeal related to a decision made on a submitted application. All appeals related to the certification process are filed with the Office of Administrative Hearings ("OAH") which in turn determines if an evidentiary hearing is necessary, and, if so, schedules a hearing in accordance with OAH policies. The Department has not received formal complaints regarding the certification process, but rather comments related to the ease of the application process and user friendliness. Concerns that have been brought to the attention of the Department are primarily involving system access for returning CBE firms. The Department has updated its website, providing step-by-step guidance on how to access the system as well as points of contacts such as DES support team to assist with technical issues while CBE program concerns are sent to [cbe.info@dc.gov](mailto:cbe.info@dc.gov).

**75. Pursuant to DC Official Code 2-218.65, the DC Auditor may conduct random audits of the certification division. Where they any new audits performed in fiscal years 2019, 2020, and 2021, to date?**

**Answer:** ODCA initiated an audit last year on the agency's certification and recertification of the CBE status of seven (7) subcontractors listed on the 2019 Office of the D.C. Lottery and Gaming/Intralot sport wagering and lottery gaming contract. This audit is ongoing.

**76. Last year, the agency reported that the District Capitalized Program, Mentor Protégé Program, and bonding program were established to encourage Joint Ventures in the District. How many new Joint Ventures have been formed as a result of these programs? How many Joint Ventures have been awarded contracts for fiscal years 2019, 2020, and 2021, to date?**

**Answer:** DSLBD's District Capitalized and bonding programs are programs available for small businesses that need to grow and build capacity to perform and receive the benefits of DSLBD's joint venture program, in general. Access to capital and bonding capacity and the ability to have the insurance to cover a project/opportunity plays a significant role in a CBE's ability to participate in government contracting. DSLBD's programs are tools to assist the businesses when participating in government contracting but does not require joint ventures to be formed as a result of the programs.

**77. How many site visits has the Certification division conducted in fiscal years 2020 and 2021, to date?**

- a. How many site visits led to the agency revoking or terminating businesses' certifications due to fraudulently claiming to be a local business enterprise? Please list the name of the businesses and the fines, fees, or penalties that were imposed on the business.**

**Answer:** The agency conducted 132 site visits in FY20; 20, in FY21, to date.

**Answer (a):** The CBE program is a local inclusion program that requires, in addition to other requirements, that a business is headquartered in the District. A business must complete a full application with supporting documentation, consisting of eight (8) steps within in the DES for DSLBD review. Any site visits performed by the division are a part of the CBE application process. Should a business have multiple locations within the District, Maryland and Virginia area, site visits are conducted to other locations to ensure a business meeting all statutory and regulatory requirements of the CBE program. Any business that fails a visit, due to the failure to meet local requirements, is not granted certification. In FY20, 24 applications were denied certification as a result of site visit and/or the review of application documents to determine eligibility as an LBE. In FY21, as of December 7, 2020, 4 applications were denied certification as a result of site visit and/or the review of application documents to determine eligibility as an LBE.

### **Protest and Appeals Procedures**

**78. Please describe the process for handling client protests and appeals in response to adverse determinations made by the agency of an application for certification or recertification.**

**Answer:** All appeals related to the certification process are filed with OAH which in turn determines if an evidentiary hearing is necessary, and, if so, schedules a hearing in accordance with OAH policies.

**79. How many protests and appeals were processed by the agency for fiscal years 2020 and 2021, to date?**

**Answer:** DSLBD does not process appeals. All appeals related to the certification process are filed with OAH which in turn determines if an evidentiary hearing is necessary, and, if so, schedules a hearing in accordance with OAH policies. In FY20, five (5) businesses appealed DSLBD's decision to deny their application for CBE certification and one (1) business appealed DSLBD's decision to revoke their active CBE certification. In FY21, to date, one (1) business has appealed DSLBD's decision to deny their application for CBE certification.

**80. What were the most common protests/appeals handled by the agency in fiscal years 2019, 2020, and 2021, to date?**

**Answer:** Common protests and appeals are related to the denial of an application for certification or revocation of a CBE certificate.

**81. How many agency decisions appealed to the Office of Administrative Hearings were overturned?**

**Answer:** No decisions were overturned in FY20 and FY21, to date.

**Enforcement and Compliance**

***Monitoring and Inspections***

**82. Please provide the Committee with a copy of the Compliance Division's Standard Operating Procedures and discuss the last time this was updated.**

**Answer:** The agency is currently reviewing and updating procedures as a part of the requirements for the DES. In order for the system to function appropriately, many of the compliance and monitoring processes have to be memorialized and concurrently reviewed. Any recent changes that have been made are in draft form. They will be finalized concurrent with the completion of the DES.

**83. Please describe any changes you have made or anticipate making to the monitoring process since last fiscal year and include the efforts you have taken to inform the public and stakeholder community of these changes.**

**Answer:** In FY20, DSLBD has focused its efforts on continuing to improve our compliance and monitoring systems through development of the DES system and frequent engagement with procuring agencies. These efforts are evident through the three (3) releases we have made in the District Enterprise System this year which have improved how DSLBD oversees the SBE Goal Development Process. These improvements have resulted in an enhanced ability to capture expenditures with SBEs and a more transparent goal development process.

**84. How many total FTEs are currently in the Compliance division? What was the total number at this point in time last year? Please provide a breakdown of how and which FTEs cover agency spend, PPDs, waivers, equity and participation, conduct spot checks, are assigned to enforcement and other compliance functions.**

**Answer:** The division now has twelve (12) FTEs: Five (5) cover agency spend and waivers; Three (3) work on PPDs, equity and participation; Two FTEs (2) conduct spots checks and other enforcement functions. The leadership of this division consists of (1) Compliance & Enforcement Manager and (1) Deputy Director.

**85. What online upgrades have you made to your compliance monitoring system over the past fiscal year? What new online upgrades are being considered for fiscal year 2021?**

**Answer:** There have been three (3) compliance upgrades for DES in FY20:

- Compliance Release 3.2 – FY20 Q2 – completed  
Reviewing of Budget Adjustments and Special Exception Processing by Agency users (process used for Q1 and Q3)
- Compliance Release 3.3 – FY20 Q2 - completed  
Reviewing of Quarterly Expenditures and Expenditure Adjustments by Agency users (process used for Q1, Q2, Q3, and Q4)
- Compliance 3.4 – FY20 Q4 – completed  
Requesting and Processing Waivers as well as public view for CBEs to view and communicate with Contracting officers

Any plans to continue upgrades for FY21 have been tentatively moved to FY22 due to lack of funding.

**86. What changes have you made to increase the performance of District government agencies, developers, and general contractors who have failed to comply with small and certified business enterprise utilization requirements?**

- a. Has the agency conducted any analyses to determine their effectiveness in enhancing performance compliance?**
- b. Have changes been implemented for fiscal years 2020 and 2021, to date?**

**Answer:** FY21 marked the first year that the District agency expendable budget goal development and special exceptions processes had taken place entirely in the DES. This has contributed to more transparency, accuracy, and clarity in overall budget development and review. In addition, we coordinated our mandatory trainings to be delivered by cluster to give deputy mayors more visibility into both the process and the spend. Also, we are continuing our efforts to increase DSLBD's awareness and visibility into procurement actions including building relationships with procurement agencies and the ongoing development of the DES. We believe this system will significantly enhance compliance by bringing much-needed automation and will subsequently enhance transparency. As currently active projects are identified, immediate contact is established with prime contractors and CBE performance and reporting requirements are discussed. Prime contractors and developers are required to prepare and submit quarterly progress reports and vendor verification forms in order to ensure timely payment and adequate progress towards the goals. These actions, over time, have resulted in substantial increases in verified SBE spending year after year. Further, there has been increased engagement with deputy mayors and senior agency staff to ensure requirements are prioritized across the entire government.

**87. How does the agency coordinate with other District agencies to keep abreast of CBE compliance matters and performance? Please explain.**

**Answer:** The agency does the following:

- Annual compliance trainings – Each year, DSLBD conducts government-wide trainings of agency directors and procurement officials (contracting officers, contracting specialists and CBE liaisons, etc.) to discuss changes and address all issues or concerns. In 2020, the agency has successfully transitioned these trainings to a virtual platform.
- Interagency Compliance Oversight meetings with OCA, DMPED, DOES, DHCD, DCHFA, DGS and OCTO – These meetings help ensure that all projects have been identified and that all agencies are proactively working together to resolve issues as they arise. These meetings have successfully continued through FY20 and have helped to enhance our interagency coordination.
- Interactions with agencies – Daily interactions processing waivers, addressing contracting/CBE Performance Issues, etc.; Routine and Quarterly Budget Modifications and Adjustments; Ongoing Trainings.
- Pre-Bid Conferences – The agency attends pre-bid conferences with procuring agencies to elucidate the details of the Districts SBE law and convey any changes as they occur such as the 50% public health emergency.

**88. Please describe the amount of outreach to private firms with CBE requirements within the past fiscal year. What is the frequency of tracking CBE compliance? How do you provide support – in identifying CBE firms beyond simply referring entities to the database.**

**Answer:** DSLBD engages developers upon receipt of notice that they are participants in PPD projects. The agency conducts compliance and monitoring activities on these firms quarterly, at a minimum. In addition, the Compliance and Enforcement division collaborates with the Business Opportunities division for specific industry outreach events such as those for small businesses and business matching opportunities.

**89. Pursuant to DC Official Code § 2-218.41, how many agencies does the agency monitor? How many achieved their SBE Goal for fiscal years 2019 and 2020 respectively? Please identify which agencies did not meet their spend goal and what actions were taken against those who failed to meet their goals.**

- a. Of the agencies that met their spend goals in fiscal years 2019 and 2020, what was the total dollar amount not spent with SBEs that should have been spent with them?
- b. By contrast, what was the total spend for CBEs in fiscal years 2019 and 2020. Please especially highlight CBEs that are not also designated as SBEs.
- c. Please provide a list showing the total spend for firms that are SBEs and DBEs, ROBs, LRBs, VOBs, and LMBEs.

**Answer:** DSLBD monitors 88 agencies. Sixty-four (64) agencies met or exceeded SBE spend goals for FY19. Please note that FY20 final numbers, as of February 1, are not yet available until the release of the Comprehensive Annual Financial Report. The following agencies did not meet their FY19 spend goal:

Agency	FY19 Adjusted Goal	FY19 SBE Spend	FY19 Adjusted % of Goal Achieved
D.C. Department of Human Resources	\$829,929.41	\$813,384.78	98%
Department of Aging and Community Living	\$3,964,695.01	\$3,802,535.64	96%
Mayor's Office on Latino Affairs	\$161,490.39	\$30,380.37	19%
District of Columbia Public Library	\$22,417,803.02	\$21,975,233.87	98%
Public Employee Relations Board	\$30,141.75	\$20,708.11	69%
Office of the Tenant Advocate	\$770,211.47	\$137,595.36	18%
Real Property Tax Appeals Commission	\$22,553.89	\$20,175.02	89%
Department of Housing and Community Development	\$5,558,530.31	\$1,961,822.44	35%
District of Columbia Retirement Board	\$630,233.50	\$283,725.40	45%
Deputy Mayor for Greater Economic Opportunity	\$360,390.83	\$129,896.43	36%
Office of Police Complaints	\$61,369.48	\$56,718.44	92%

Corrections Information Council	\$20,945.35	\$20,286.33	97%
Department of Corrections	\$13,147,090.78	\$8,234,278.72	63%
Office of Victim Services and Justice Grants	\$28,383.93	\$26,804.29	94%
Office of the Deputy Mayor for Public Safety and Justice	\$36,256.04	\$13,907.52	38%
Homeland Security Grants	\$2,450,996.11	\$280,076.52	11%
Office of the Chief Medical Examiner	\$770,971.11	\$657,594.85	85%
District of Columbia Public Schools	\$32,808,234.41	\$29,572,847.53	90%
Special Education Transportation	\$5,178,311.42	\$4,870,172.14	94%
Housing Finance Agency	\$965,822.27	\$810,526.52	84%
Not-For-Profit Hospital Corporation Subsidy	\$24,908,722.50	\$2,542,921.27	10%
Department of Human Services	\$11,830,576.54	\$10,682,289.12	90%
District Department of Transportation	\$123,104,707.54	\$72,306,437.98	59%
Department of Insurance, Securities, and Banking	\$620,589.40	\$565,487.63	91%

No agency that failed to meet their SBE spend goal demonstrated a willful disregard of the law's CBE goal requirements (*i.e.*, bad actors); therefore, DSLBD continues to work more closely with agencies to make progress towards achieving these goals going forward. DSLBD also understands that agency circumstances and budgets evolve and change throughout the fiscal year, so it is imperative that the Department prioritize working in partnership with District agency directors, contracting officers, and CBE liaisons in order to understand what circumstances contributed to a failure to meet future goals.

**Answer (a):** Agencies that did not meet their SBE spend goals had an aggregate adjusted FY19 goal of \$250,678,956.40; these agencies spent a total of \$159,815,806.27 with SBEs. Again, it is important to note that while these agencies did not meet 100% of their goal, overall, the District surpassed its goal amount of local dollars spent with SBEs.

**Answer (b)-(c):**

	2019	Preliminary 2020	FY19-20 Total	% of CBE Total Spend
CBE	\$1,508,570,044	\$1,757,935,317	\$3,266,505,361	100%
SBE	\$923,569,533	\$1,136,094,334	\$2,059,663,867	63%
Not SBE	\$585,000,511	\$621,840,984	\$1,206,841,495	37%
Other Certificate Designations				
ROB	\$638,776,395	\$665,799,169	\$1,304,575,563	40%
DBE	\$366,526,520	\$467,950,337	\$834,476,857	26%
LRB	\$347,551,067	\$427,426,935	\$774,978,002	24%
VOB	\$31,168,082	\$54,334,466	\$85,502,547	3%
LME	\$104,001,269	\$144,523,069	\$248,524,338	8%
DZE	\$844,368,241	\$1,163,037,550	\$2,007,405,791	61%

**90. DC Official Code § 2-218.42 also allows the Department to establish a set-aside program for SBEs and a set-aside program for CBEs. Please describe what these programs look like and what the outcomes have been.**

**Answer:** DSLBD has attempted to utilize this provision of the law through engagement with procuring agencies in the agency waiver process. When CBEs express their capability to perform a service in response to an agency waiver, DSLBD collaborates with agency partners to analyze if this industry area is ripe for CBE set-asides or unbundling. The agency energetically advocates for the inclusion of small businesses when it is clear that there is capacity for small businesses to provide some or all of the required services on a given solicitation. The more evidence we are able to gather, continuing our efforts to work collaboratively with our procurement partners, the greater our opportunity to fully implement these sections through rulemaking, as required per the statute. However, the final decision on participation in a set-aside opportunity can only be effectively realized collaboratively with procuring agencies.

**91. The law (D.C. Official Code § 2-218.47) also allows for the establishment of procedures to ensure that solicitations are subdivided and unbundled and that smaller contracts are created to the extent feasible and fiscally prudent. Are there any instances in fiscal years 2020 and 2021, to date where a solicitation was subdivided and unbundled and awarded to a smaller contractor as a result of DSLBD's effort? Please discuss the general attitude or disposition of the procuring agency when going through this process.**

**Answer:** Although DSLBD is not a procurement agency, we consistently work with agencies to evaluate opportunities to hold the door open for the local business community. DSLBD has attempted to utilize this provision of the law through engagement with procuring agencies in the agency waiver process. When CBEs express their capability to perform a service in response to an agency waiver, DSLBD collaborates with agency partners to analyze if this industry area is ripe for CBE set-asides or unbundling. The agency energetically advocates for the inclusion of small businesses when it is clear that there is capacity for small businesses to provide some or all of the required services on a given solicitation. Also, DSLBD routinely collaborates with procuring agencies to identify areas where CBE participation can be maximized in the waiver process, and deny waivers in areas that CBEs have capacity to perform, if given the opportunity. Procuring agencies have been open to the idea of unbundling contracts where the market capacity is clearly identified and the operations and services will not be significantly diminished or altered. We would describe their sentiments as open. However, the ability to unbundle and subdivide contracts rests with the procuring agencies and the final decision on such actions rests with their authority. A recent example is a new opportunity that was identified with the Office of Aging to include local vendors in the supply and delivery of meals.

***Waivers***

**92. Last year, the agency reported that a new FTE was hired to cover waiver requests. Please discuss specifically the role this FTE provides and how it has impacted the waiver process.**

**Answer:** In FY19, the agency reported that a compliance vacancy was filled by new specialist on January 7, 2020 to specifically work on agency spend compliance and waiver requests. Please note that all compliance staff handle waiver requests.

**93. Please describe the exception process and include the following:**

- a. The total number of exceptions requested in fiscal years 2020 and 2021, to date;
- b. The number of exceptions granted in fiscal years 2020 and 2021, to date and the basis for DSLBD's approval;
- c. The total number of exceptions denied in fiscal years 2020 and 2021, to date, including the reasons for denial; and
- d. The top agencies with the most exception requests in fiscal years 2020 and 2021, to date.

**Answer:** The Special Exceptions Process is the automated process used by agencies to request that certain budget items be excluded from consideration in establishment of SBE Goals. These items generally are items that are non-contractible and/or cannot be performed by CBEs. Special Exceptions are generally processed during the annual goal setting period, and quarterly following budget adjustments transmitted by the OCFO.

**Answer (a):**

Total Number of Special Exceptions Submitted	
FY2020	3,396
FY2021	2,301

**Answer (b):**

Total Number of Special Exceptions Approved	
FY2020	2,329
FY2021	1,808

**Answer (c):**

Total Number of Special Exceptions Denied	
FY2020	641
FY2021	398

**Answer (d):**

Top Agencies with the Most Special Exception Requests in FY20	
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and FY21	
Agency	Special Exceptions
District of Columbia Public Schools	560
Department of Health Care Finance	408
Department of Employment Services	398
Department of Energy and Environment	388
Department of Health	341
Office of the Chief Financial Officer	253
Department of Insurance, Securities, and Banking	238
Department of Human Services	211
Office of the Attorney General for the District of Columbia	149
Office of the State Superintendent of Education	124
<b>Total</b>	<b>3,070</b>

**94. What types of businesses/services (NAICS codes) are most waivers for (please provide a breakdown by percentage for NAICS codes for fiscal years 2020, and 2021 waivers)? What specific programs, policies, resources have you dedicated to building capacity within the CBE community to meet these requests such that waivers are no longer needed?**

**Answer:** See attachment - “*Approved Waivers by NIGP Code (Q94).pdf*”.

We have seen the highest number of waivers in healthcare, human services, and technology. Upgrading the DES to allow businesses to subscribe to the codes that are most relevant for their businesses, puts the business in the driver’s seat with regard to the information they receive about relevant opportunities. By reducing the additional notifications, businesses can focus on more pertinent waivers. In addition, the ability to search deeper into the Green Book, where we highlight the areas of the most opportunity for CBEs based on waivers the previous year. We will continue to make opportunities more open, transparent, and easily identified for CBEs.

**95. Concerning waiver requests from contracting entities, how many of such requests did DSLBD receive to waive SBE/CBE utilization requirements in fiscal years 2020 and 2021, to date? Please break the number down by the following categories and note the requesting agency:**

- a. Purchases of goods and services by District government agencies;
- b. CBE utilization on government-assisted projects, and
- c. CBE utilization on equity participation projects.
- d. How many waiver requests were approved? Please provide a justification for each waiver;
- e. How many waiver requests were denied? Please explain; and
- f. What is the average turnaround time for approving/denying a waiver request from a contracting entity?

**Answer (a)-(c):** Below is an agency breakdown. Please note that the agency does not break waivers down by the requested categories.

Agency	2020	2021	Total
Total	273	51	324
Child and Family Services Agency	28	9	37
Department on Disability Services	34	2	36
Office of the Chief Financial Officer	20	6	26
Department of Behavioral Health	19	2	21
Office of the State Superintendent of Education	20		20
Department of Health	15	2	17
Department of Public Works	15	2	17
Department of Youth Rehabilitation Services	11	2	13
DC Public Schools	11		11
Department of General Services	6	5	11
Department of Human Services	10	1	11
Department of Health Care Finance	10		10
Office of the Deputy Mayor for Planning and Economic Development	8		8
DC Public Library Trust	6		6
Metropolitan Police Department	3	3	6
Office of the Chief Technology Officer	5	1	6
DC Department of Human Resources	4	1	5
DC Health Benefit Exchange Agency	5		5
Department of Corrections	5		5
Department of Transportation	3	2	5
Homeland Security and Emergency Management Agency	2	3	5
Department of Motor Vehicles	2	2	4
Office of Contracting and Procurement	3	1	4
Office of the Attorney General for the District of Columbia	4		4
Department of Aging and Community Living	2	1	3
Department of Parks and Recreation	1	2	3
Not-for-Profit Hospital Corporation	3		3

Office of Unified Communications	2	1	3
Washington Convention and Sports Authority	3		3
DC Lottery & Charitable Games Control Board	1	1	2
Department of Employment Services	2		2
Department of Forensic Sciences	2		2
District Department of the Environment	2		2
District of Columbia Public Library	1		1
Fire and Emergency Medical Services Department	1		1
Not Specified	1	1	2
Office of the Inspector General	1		1
Office of Zoning	1		1
Special Education Transportation	1		1
University of the District of Columbia		1	1

**Answer (d):** See attachment - “*DSLBD Approved Waivers (Q95d).pdf*” for FY20 waiver justifications.

Type	2020	2021	Total
Approved	194	34	228
Partial	38	8	46

**Answer (e):** See attachment - “*DSLBD Denied Waivers (Q95e).pdf*” for denial explanations.

Type	2020	2021	Total
Denied	8	1	9
Closed/Withdrawn	33	9	41

**Answer (f):** The mutually agreed upon turnaround time for waivers is 20 days from submission by the contracting entity. Ten (10) days are allotted for the legislatively mandated comment period. The additional 10 days are to review and process the waiver request. However, if there are possible opportunities to include subcontracting, or there are comments from the SBE community that require vetting, a waiver may take longer than 20 days. For FY20, the average turnaround time for all waivers was 36 days.

**96. In fiscal years 2019, 2020, and 2021, to date, please list specific instances when the agency has recommended to other contracting agencies to suspend, debar, levy fines or other penalties against a contractor, developer or small or certified business enterprise found not in compliance with certified business program requirements.**

**Include in your listing the following:**

- The name of the contractor/developer/CBE entity involved;
- Project name;
- Contract identification;
- A description of the infraction; and
- A description of the agency’s recommendation.

**Answer:** In FY20, the agency, after conducting a preliminary investigation, determined that there may have been serious improper action on a government-funded project in order to receive improper credit for CBE expenditures. The matter was promptly referred to, and is currently under investigation by, OAG and OIG. A final determination has not yet been made.

**97. How many Public Private Development (PPD) projects closed between fiscal years 2019 and 2021, to date? For each project that has been closed please provide the Committee with the following:**

- a. Which projects did not meet the 35% subcontracting requirements?
- b. Which projects that did not meet the 35% subcontracting requirement are current beneficiaries of government dollars?

**Answer:** See attachment - “*DSLBD FY19-21 Closed Projects (Q97).pdf*”.

**98. Please provide a list of all currently monitored PPDs. Please note whether each project has received and recorded a subcontracting plan on file, what is the 35% subcontracting goal, who the developer is, if the agency has already had its annually required meeting with the developer, and amount spent towards the subcontracting goal. Please provide the subcontracting plan for each currently monitored project.**

**Answer:** See attachments - “*DSLBD Monitored PPDs (Q98).pdf*” and “*DSLBD Monitored PPDs - Developers(Q98).pdf*”.

**99. Please provide the Committee with a detailing of all DMPED, DGS, and DHCD development and construction projects with CBE requirements actively monitored by DSLBD. For each project, please identify the participating CBEs, the spend goal, the percent of goal met to date, and any actions taken with agencies and/or private entities if goals are unmet.**

**Answers:** See attachment - “*DSLBD Monitored PPDs (DMPED-DGS-DHCD)(Q99).pdf*”. Please note that the system does not generate CBE subcontractors.

**100. Are all contracts in excess of \$250,000 currently being tracked through the DES? If not, please describe the current status in tracking these contracts, the delay in attaining this goal, and the progress that has been achieved since the last fiscal year. If all these contracts are being tracked, please describe process from the point of receiving a contract to input and any other analysis that may take place.**

**Answer:** The subcontracting module of the DES is the next component of the DES to be built and delivered. Funding cuts delayed the completion of this component of the system. In the meanwhile, DSLBD mines the OCP transparency portal for relevant contracts and then tracks these contracts in QuickBase. Future releases of DES will add the capacity to track all

contracts and enhance transparency in the monitoring process. The completion of this module will increase efficiency.

**101. Last year, the agency reported that it had established a “Compliance Oversight Working Group” that consist of PPDs and procurement related entities.**

- a. Please list the entities that participate in the Working Group and the title of the individuals that represent the entities.
- b. Please provide the number of times the Working Group was able to meet in fiscal years 2019, 2020 and 2021, to date.
- c. Please discuss various achievements the group has accomplished since it was established.

**Answer (a):**

Participating Agencies	Titles of Participants
DSLBD	Deputy Director of Compliance and Enforcement; Manager of Compliance and Enforcement; Compliance Specialist; IT Manager; General Counsel; and Manager of Business Opportunities
DOES	First Source Manager and Program Analyst
DMPED	Community Development Manager; and Project Manager
DHCD	Housing Compliance Officer
DGS	Chief Procurement Officer; Compliance Officer; and Contract Specialist
DCHFA	Senior Director of Community and Partnership Development
OCA	Deputy Performance Director; Senior Applied Research Analyst; and Performance and Data Analyst

**Answer (b):**

2019	2020	2021	Total
4	2	0	6

**Answer (c):** These meetings help ensure that all projects have been identified and that all agencies are proactively working together to resolve issues that arise. These meetings also help to enhance our interagency coordination and to clarify changes in policies as they occur.

**102. How many spot checks has the Compliance division conducted in fiscal years 2019, 2020, and 2021, to date? Of these spot checks:**

- a. **How many were physical visits?**
- b. **How many revealed fraudulent activity or information that the registration of a particular CBE needed updating?**

**Answer:**

Fiscal Year	In- Person Spot Checks Conducted	Virtual
2018	551	0
2019	1631	0
2020	80	407
2021	0	396

**Answer (a):** There were 80 in-person visits conducted. COVID-19 halted the agency's planned spot check activities for the summer and fall of FY20. Consequently, DSLBD instituted a virtual spot check process that allows CBEs to conduct their annual spot checks remotely. Accordingly, there have been no physical visits in FY21 due to the public health emergency.

**Answer (b):** There has been no fraudulent activity identified by the Compliance and Enforcement division. If the agency identifies that a CBE has a change of address, we notify the firm to submit a Notice a Change Request application with the Certification Division. This action is also conveyed to the Certification division.

### **DC Main Streets and Commercial Clean Teams**

- 103. Main Streets are an important support for our commercial corridors. Unfortunately, since the declaration of the public health emergency, many businesses have been forced to close because of the challenge of meeting their monthly revenue demands. Please share with the Committee how the agency is fostering retail investment in long standing Main Street neighborhoods? Additionally, how is the agency ensuring that the Main Streets are staying relevant to long standing and new businesses in their corridor?**

**Answer:** DSLBD fosters retail investment in new and established Main Street neighborhoods in three ways: 1) amplifying the neighborhood to customers on behalf of businesses; 2) in-store counseling to solve internal and external problems; and 3) grants to businesses.

By producing events such as Art All Night and Small Business Saturday, DSLBD helps customers identify Main Street neighborhoods. In FY20, because of COVID-19 restrictions, DSLBD transformed Art All Night from a live event to a virtual event, which lasted from September 13 to September 26, 2020. The event featured local artists highlighting the area's best visual and performing arts exhibits, workshops, and performances. DSLBD created a new website to showcase weekly business promotions, 12 Main Street virtual marketplaces which promoted small businesses throughout the District, and a link to a YouTube channel for viewers to have easier access to the live weekend performances.

For Small Business Saturday, the individual Main Street organizations used DSLBD grants to promote the business districts and the businesses located within the corridors. For example, Main Streets utilized social media to promote behind-the-scenes interviews with business owners giving customers a personalized story behind the enterprise. Many of the businesses noticed an increase in engagement after these broadcasts were shared on both their social media channels as well as DSLBD's Instagram and Twitter accounts which reach a network of over 30,000 viewers. Also, in FY20, we transformed Small Business Saturday into the extended Shop Small Season, lasting from Thanksgiving through the holiday season, coupled with the #ShopDC social media campaign, to further promote shopping local throughout the pandemic.

To stay relevant and effective, each Main Street organization provides extensive coaching to business owners. Main Street staff members spend considerable time meeting with business owners in their stores and restaurants. This in-store coaching provides an important communication system for place-based owners and managers who cannot easily leave their places of business. The Main Street directors provide valuable advice on working with DCRA, building maintenance, retail trends, and much more. These store visits are also a valuable way for DSLBD to learn about issues as they develop, because the Main Street directors share what they have learned with the agency.

During the pandemic, the Main Street organizations have adapted and provided virtual coaching to ensure that business owners continue to receive the support they need. This support is very valuable by the businesses because they view the Main Street Programs as first-line responders who are in touch with the day-to-day realities of small businesses.

In FY20, DSLBD required DC Main Street organizations to use \$30,000 of their DSLBD grant as direct assistance to businesses either as a cash sub-grant or the procurement of services/equipment on behalf of the business. Given the fact that many businesses experienced severe hardships, the Main Street Programs diverted additional funds into sub grants, which resulted in \$ \$1,360,378.69 in direct business support. For FY21, the sub grants will total at least \$1,000,000.

Additionally, a special grant was coordinated by DSLBD to businesses that were starting to reopen once the City entered Phase 2. As part of the Administration's #DCHOPE Small Business Startup Supplies initiative, DSLBD led the distribution of 2,995 PPE kits, valued at over \$2,000,000, to local businesses. This was done in partnership with five Business Improvement Districts (Capitol Riverfront SW Waterfront, Anacostia, Downtown, Georgetown, Golden Triangle, and NOMA) and seven DC Main Streets (Congress Heights, Deanwood, Eastern Market, Tenleytown, The Parks, Upper Bladensburg, and Uptown).

**104. Please provide detailed grant distributions for main streets for each end user and identify CBE, SBE, DBE and ward for all grants as well as contracts for each Main Street. Please provide the data for fiscal years 2019, 2020, and 2021, to date.**

- a. Please discuss whether the Chevy Chase Main Street grant has been fully disbursed to the non-profit organization and if work on the main street has begun.**

**Answer:** See attachment “*Main Streets FY19 Subgrants (Q104).pdf*” for a list of FY19 subgrants. See attachments - “*Main Streets FY20 Subgrants (Q106b(i)).pdf*” and “*Main Streets FY20 CBE Expenditures (Q106b).pdf*” for a list of FY20 subgrants disbursed and CBE expenditures by each Main Street.

Previously, DSLBD did not require grantees to list the total number of contracts or MOUs and CBE designations for reporting. For FY21, grantees are being required to report whether a contractor paid with DSLBD grant dollars is a CBE along with their name, amount of the contract, and general category of the work performed.

**Answer (a):** Chevy Chase Main Street was officially designated on November 18, 2020, when the first amendment to the District Bridges grant agreement was executed. The Program Manager started on January 10, 2021; as such, organizational work took place during Q1 FY21. Per the letter of agreement, the disbursement schedule consists of 5 payments throughout the fiscal year: the grantee received the first payment (\$43,750) in early January and recently submitted an invoice for the second payment (\$43,750). Barring any issues, this second payment was processed during the week of January 26.

**105. Please describe specific roles the DC Main Streets have played since the declaration of the public health pandemic to support hiring and entrepreneurship for District residents including returning citizens.**

**Answer:** Currently, eleven Clean Team Programs are managed by Main Streets Programs. Some of these Clean Teams are owned by returning citizens and many of the Clean Teams prioritize hiring returning citizens.

**106. Please discuss how the agency interacted with each neighborhood’s Main Street organizations, stakeholders, and residents in fiscal years 2020 and 2021, to date.**

- a. **For each Main Street, please note how they have revitalized their corridor, how many jobs they have created (between fiscal years 2020 and 2021, to date, how many new businesses have been created, and how many businesses have closed.**
- b. **For each Main Street, please also note how each has met or exceeded their financial and community goals. Please provide the following:**
  - i. **The number of grants disbursed and who was the grantee (recipient);**
  - ii. **Total number of contracts or MOUs the Main Street has entered into and how many subcontractors are CBEs or SBEs.**
  - iii. **Where applicable, please provide a list of all subcontractors utilized by Main Streets between fiscal years 2019, 2020 and 2021, to date.**

**Answer:** DSLBD has been very engaged with the Main Streets organizations in the past year. Prior to the shutdown, DSLBD’s leadership and Commercial Revitalization staff made a point of attending events in every Main Street district and meeting one-on-one

with the executive directors to understand and help address their concerns. After the shutdown, we convened virtual meetings of the Main Street executive directors to engage them in discussions on how to best provide assistance to corridor businesses and help them pivot due to shifts in the marketplace.

In FY20, the Agency provided fifty-seven (57) training sessions for Main Street organizations, stakeholders, and residents. DSLBD's staff stay in touch daily through conversations and meetings with Main Street staff. They also attended evening and weekend events produced by twenty-four (24) Main Street organizations, including events for business owners and those produced for customers.

In FY20, The Commercial Revitalization division took an active role in DSLBD's District Connect. They joined forces with the Inno.ED division and facilitated three workshops.

**Answer (a):**

Main Street Program	Net Job Gain (tot)	Net Job Lost (tot)	Total Net Job Gain (tot)	# Opened (new) (tot)	# Closed/ Relocated (tot)	Total New Businesses (tot)
Barracks Row Main Street	32.5	17.5	15	4	6	-2
Center for Nonprofit Advancement , UGAMS	6.5	32	-25.5	2	6	-4
Center for Nonprofit Advancement , TPMS	17.5	1.5	16	0	0	0
Deanwood Heights Main Streets	4.5	27	-22.5	1	2	-1
Destination Congress Heights	18	1	17	3	1	2
District Bridges, Cleveland Park	8	21	-13	4	5	-1
District Bridges, Columbia Heights/Mt Pleasant	77	50	27	8	8	0
District Bridges,	30	169	-139	1	12	-11

Logan Circle						
District Bridges, Lower Georgia Avenue	42.5	37.5	5	12	14	-2
District Bridges, U Street	52.5	198.5	-146	4	7	-3
Eastern Market Main Street	27.5	439.5	-412	4	76	-72
Friends of Georgetown	226	95	131	17	22	-5
Friends of Rhode Island Ave NE, RIAMS	58	8	50	1	1	0
Friends of Rhode Island Ave NE, UBMS	18.5	0	18.5	0	0	0
Glover Park Alliance	23.5	8.5	15	4	2	2
H Street Main Street	96	30	66	30	11	19
Historic Dupont Circle Main Streets	55	160	-105	13	21	-8
Minnesota Ave Main Street	4	0	4	1	0	1
North Capitol Main Street	7.5	55	-47.5	1	3	-2
Shaw Main Streets	650	125	525	57	17	40
Tenleytown Group	93	37	56	5	7	-2
Uptown Main Street	30	214	-184	10	12	-2
Van Ness Main Street	46.5	360	-313.5	4	2	2
Woodley Park Main Street	0	19	-19	0	5	-5

**Answer (b):** See attachment - “*Main Streets FY20 Sub-grants (Q106b(i)).pdf*” for a list of FY20 subgrants disbursed by each Main Street. For FY20, DSLBD did not require grantees to list the total number of contracts or MOUs. However, it did require grantees to list total CBE expenditures (see attachment “*Main Streets FY20 CBE Expenditures (Q106b).pdf*”). For FY21, grantees are being required to report whether a contractor paid with DSLBD grant dollars is a CBE along with their name, amount of the contract, and general category of the work performed.

**107. What oversight does the agency provide over Main Streets? Please note:**

- a. Did you have specific goals for Main Streets to accomplish in fiscal years 2020, and 2021, to date? If so, please provide the Committee with a report outlining those goals and how they were or were not met.**
- b. What are the agency’s expectations of each Main Street’s outreach and support for businesses especially in the light of the current public health pandemic?**
- c. How is the agency challenging the Main Streets to meet and improve upon their individual mandates especially under the current public health pandemic?**

**Answer (a):** Each DC Main Street grantee establishes a project implementation plan at the beginning of the grant cycle. Once approved by DSLBD, the plan becomes the guide for how grantees will use the funds.

**Answer (b):** The primary role of a Main Street organization is to support the retail stores and restaurants located within their district. As such, all of the organization’s activities should benefit these business owners.

Main Street staff members spend considerable time meeting with business owners in their stores and restaurants. This in-store coaching provides an important communication medium for place-based business operators who cannot easily leave their stores or restaurants. The Main Street directors provide valuable advice on working with DCRA, building maintenance, retail trends, and much more. These store visits are also a valuable way for DSLBD to learn about issues as they develop, because the Main Street directors bring what they have learned to the agency.

In non-pandemic years, Main Street organizations produce events, which are designed to pull customers into businesses. A 2018 study commissioned by H Street Main Street showed that the H Street Festival generated an average increase in sales of 117% for stores and restaurants located on H Street. A 2019 study commissioned by Shaw Main Street showed that the Art All Night Event in Shaw generated an average attendee spending of \$76.71 and total additional sales revenue of \$2,240,748 in Shaw. Main Street organizations also produce in-store events and use their social media to attract customers. They promote businesses via business directories on their websites, directories distributed on paper, and advertisements in local media.

During the pandemic, Main Streets have provided guidance to businesses on how to negotiate leases and rent reduction. In addition, Main Streets delivered PPE supplies to businesses, particularly those in high traffic industries such as hair salons, nail salons, restaurants and laundromats. Main Street organizations have also supported businesses by innovating ways to pivot business operations to survive. Some examples include the following:

- North Capitol Main Street worked with El Camino when they declared they would permanently close. They provided them with one-on-one assistance and a \$12,000 grant funded by DCWATER, which allowed them to change their plans and commit to staying open long term.
- Van Ness Main Street worked with Rosemary Bistro Café, which opened in July 2020, and helped the owner revamp his website and his menu online, developed a Thanksgiving special promotion, and most importantly, trained him on how to send out a newsletter to his email list on the Thanksgiving promotion. This alone resulted in a better Thanksgiving for his restaurant with more than 80 Thanksgiving dinner orders! Thanksgiving saved his restaurant and provided him the confidence that he needed to keep innovating with his menu, offerings, and promotion.
- Shaw Main Streets provided a total of \$10,000 to corridor bar Ivy & Coney to support the startup of a local online ordering and delivery platform to help DC restaurants keep more of every takeout dollar when the COVID-19 pandemic forced restaurants to shift from on premise dining to takeout and delivery only. Ivy and Coney created a new platform and charged lower commissions than the national apps before the DC Council imposed a 15% cap, and encouraged the hiring of laid-off restaurant staff as delivery drivers. This has helped both Ivy and Coney and participating restaurants keep their doors open. The platform has generated over \$100,000 in sales for participating Shaw restaurants and over \$200,000 citywide. DC To-GoGo will maintain the lower commissions after the health emergency ends.
- District Bridges and DC Shop Small teamed up to create a virtual online sales event, DC Shop Small Saturday. They were joined by Adams Morgan BID, Dupont Circle BID, Georgetown Main Street and Eastern Market Main Street. Three hundred (300) businesses signed up and participated. The event created over \$350,000 in sales and according to a post-event survey 84.3% of participating businesses said they noticed increased online traffic for Small Business Saturday and 82.4% said they thought this event helped them to gain new customers.

**Answer (c):** Each Main Street organization has a unique set of strategic goals contained within their project implementation plan which is developed every year in partnership with DSLBD. During this planning process, DSLBD continues to work with the Main Street organizations to find immediate sources of help for businesses and to find long-term solutions to any problems.

**108. What programs/employees do you have in place to assist start-ups?**

**Answer:** DSLBD's Inno.ED division is tasked with helping build the entrepreneurial ecosystem in the District of Columbia by working with the Bowser Administration to identify and develop small businesses owners. Inno.ED has several statutory programs as

well as agency initiatives under its wing, each designed with the goal of removing barriers to entrepreneurship.

**109. What programs/employees do you have in place to assist current businesses?**

**Answer:** Current businesses located within Main Street districts have access to all the services and financing offered by the Main Streets organizations. This includes sub-grants, training, networking, and one-on-one counseling.

- 110. Please provide the following for the DC Main Streets organizations:**
- a. Changes in geographic area for each Main Street organization in fiscal years 2020 and 2021, to date;**
  - b. Budgets for each Main Street organization;**
  - c. A description of the economic activity (i.e. businesses and jobs) fostered by DC Main Streets organizations in fiscal years 2020 and 2021, to date;**
  - d. An update on all newly created Main Streets; and**
  - e. Identify all sources of funding for which Main Street organizations are eligible.**

**Answer (a):** There were several boundary expansions in FY20:

- **The Parks:**  
The organization requested to include the following blocks to its boundary:  
5600 block of 3<sup>rd</sup> Street NE (even numbered); 5700 block of 2<sup>nd</sup> Street NE between Riggs Road and New Hampshire Avenue;
- **Van Ness:**  
The organization requested to include the following blocks to its boundary:  
Connecticut Ave from Albemarle Street, NW to Nebraska Avenue, NW; ½ block east and west from Connecticut Avenue on the following cross streets: Brandywine Street, Chesapeake Street, Cumberland Street, Davenport Street, Ellicott Street, Everett Street, Fessenden Street.
- **Upper Georgia Avenue:**  
The organization requested to include the following blocks to its boundary:
  - 1200 block of Underwood St. NW (up to 1210),
  - 1200 block of Tuckerman St. NW (up to 1211),
  - 900 block of Sheridan St. (up to 920),
  - 5700 - 5800 block of Georgia Ave. NW,
  - 7800 block of Eastern Ave. NW (even side only),
  - 825 Juniper St. NW,
  - 1011 Rittenhouse St. NW,
  - 7731 - 7733 Alaska Ave. NW

The Parks and Van Ness boundary expansions were approved. Upper Georgia Avenues boundary expansion is currently being reviewed.

**Answer (b):**

MSP	FY 2020 Budget	FY20 Grant from DSLBD
1. Barracks Row	\$ 150,418.19	\$ 1,154,402.61
2. Cleveland Park	\$ 160,000.00	\$ 185,000.00
3. Columbia Heights Mt Pleasant	\$ 158,830.00	\$ 175,080.00
4. *Congress Heights	\$ 1,005,080.00	\$ 2,302,823.00
5. Deanwood	\$ 183,080.00	\$ 150,080.00
6. Dupont	\$ 162,895.00	\$ 373,640.00
7. Eastern Market	\$ 150,080.00	\$ 244,660.00
8. Georgetown	\$ 182,935.51	\$ 166,080.00
9. Glover Park	\$ 160,000.00	\$ 200,000.00
10. H Street	\$ 190,080.00	\$ 1,113,080.00
11. Logan Circle	\$ 150,000.00	\$ 175,000.00
12. Lower Georgia Avenue	\$ 150,080.00	\$ 175,080.00
13. *Minnesota Avenue	\$ 200,080.00	\$ 3,199,824.00
14. North Capitol	\$ 150,080.00	\$ 485,080.00
15. RIA	\$ 231,354.92	\$ 497,040.00
16. Shaw	\$ 154,080.00	\$ 521,480.00
17. Tenleytown	\$ 150,080.00	\$ 409,101.00
18. *The Parks	\$ 151,580.00	\$ 798,588.50
19. U Street	\$ 160,000.00	\$ 185,000.00
20. *Upper Bladensburg	\$ 162,033.85	\$ 497,040.00
21. *Upper Georgia Avenue	\$ 160,000.00	\$ 798,588.50
22. Uptown	\$ 150,080.00	\$ 174,676.57
23. Van Ness	\$ 170,457.50	\$ 204,580.00
24. Woodley Park	\$ 137,080.00	\$ 202,080.00

\*These Main Street programs are embedded within larger nonprofit organizations. The budget shown is for the larger organization.

**Answer (c):** In FY20, 186 new businesses opened; 1,624 jobs were created.

**Answer (d):** In FY20, U Street Main Street, Cleveland Park Main Street, Glover Park Main Street, Upper Bladensburg Main Street, and Upper Georgia Avenue Main Street were established. All have hired executive directors. The Upper Georgia Avenue Main Street grant was awarded to the Center for Nonprofit Advancement, the Cleveland Park and the U Street Main Street grants were awarded to District Bridges, the Glover Park grant was awarded to Glover Park Alliance, and the Upper Bladensburg grant was awarded to Friends of Rhode Island Avenue. Most recently, in FY21, Chevy Chase Main Street and Pennsylvania Avenue East Main Street were established. The Chevy Chase grantee is District Bridges; the Pennsylvania Ave East Main Street grantee is Marshall Heights Community Development Corporation, in conjunction with the Ward 7 Business Partnership.

**Answer (e):** As independent, nonprofit organizations, all Main Streets organizations are free to seek any type of funding which would be open to any other nonprofit organization.

**111. Please provide an update on the DSLBD Commercial Clean Teams. Please include with the update:**

- a. A list of the current clean teams;**
- b. The amount of grant funding allocated to each clean team; and**
- c. The grantee designated for each clean team.**

**Answer (a):** See column B

**Answer (b):** See column C

**Answer (c):** See column A

Grantee	Service Area	Funding Amount
Clean Decisions	12th Street NE Clean Team	\$112,618.00
Adams Morgan Business Improvement District	Adams Morgan Clean Team	\$138,000.00
Congress Heights Community Training and Development Corporation	Alabama Avenue Clean Team	\$103,000.00
Anacostia Business Improvement District	Anacostia Clean Team	\$154,500.00
Barracks Row Mainstreet	Barracks Row Clean Team	\$114,000.00
Congress Heights Community Training and Development Corporation	Bellevue Clean Team	\$113,500.00
H Street Main Street	Benning Road (Ward 6) Clean Team	\$103,000.00
Career Path DC	Benning Road (Ward 7) Clean Team	\$113,000.00
Career Path DC	Bladensburg Road Clean Team	\$138,000.00
Congress Heights Community Training and Development Corporation	Congress Heights Clean Team	\$248,500.00
Career Path DC	Connecticut Avenue Clean Team	\$107,982.00

Ward 7 Business Partnership	Deanwood Heights Clean Team	\$140,000.00
Historic Dupont Circle Main Street	Dupont Circle Clean Team	\$127,000.00
Saving Our Next Generation	Clean Team Eastern Market	\$130,870.00
Saving Our Next Generation	Ft. Lincoln, NE Clean Team	\$100,000.00
Emory Beacon of Light	Georgia Avenue Clean Team	\$107,982.00
Clean Decisions	Glover Park Clean Team	\$131,000.00
H Street Main Street	H Street Clean Team	\$132,000.00
Saving Our Next Generation	Ivy City Clean Team	\$130,870.00
Career Path DC	Kennedy Street Clean Team	\$106,618.00
Saving Our Next Generation	South Dakota Avenue Clean Team	\$100,000.00
Saving Our Next Generation	Lower Georgia Avenue Clean Team	\$210,875.00
Capitol Hill Business Improvement District	Mid-City Clean Team	\$279,000.00
Career Path DC	Minnesota Avenue Clean Team	\$107,982.00
Mount Vernon Triangle Community Improvement District	Mount Vernon Triangle Clean Team	\$132,000.00
Career Path DC	New York Avenue Clean Team	\$125,000.00
North Capitol Main Street	North Capitol Clean Team	\$124,000.00
Capitol Hill Business Improvement District	Pennsylvania Avenue Clean Team	\$113,000.00
Rhode Island Avenue Main Street	Rhode Island Avenue Clean Team	\$126,000.00
Shaw Main Streets	Shaw Clean Team	\$117,000.00
Saving Our Next Generation	Trinidad Clean Team	\$160,000.00
Career Path DC	Upper 14th Street Clean Team	\$103,000.00
Career Path DC	Upper Bladensburg Road Clean Team	\$100,000.00

Emory Beacon of Light	Upper Georgia Avenue Clean Team	\$206,000.00
Career Path DC	Ward 1 Clean Team	\$222,118.00
Tenleytown Main Street	Wisconsin Avenue Clean Team	\$119,521.00

**COVID**

**112. Unfortunately for almost a year, the District has experienced the devastating effect of Covid-19 with Black and Brown businesses feeling the brunt of the impact. The Council has in many ways tried to mitigate some of the impact on small businesses. Please discuss the efforts the Department has made to assist small businesses during the pandemic. Please provide any new recommendations that the Department sees fit to aide in addressing this ongoing crisis.**

**Answer:** The Department has assisted businesses to better navigate through the pandemic, to date, by:

- Awarding, and disbursing in record time, close to \$800,000 in citywide Robust Retail grants and \$200,000 in Dream Grants for microbusinesses in Wards 7 and 8;
- Launching a third round of Robust Retail grants via a lottery system to reduce applicant burden;
- Supporting outreach for COVID-related DMPED, MONC, and DHCD grants including: the Small Business Recovery Microgrants, DC East of the River Small Business Economic Relief Microgrant Program for Wards 7 and 8, Small Business Resiliency Fund, Streatory Winter Ready Grant Program, and the Bridge Fund;
- Helping the District's Main Streets reconfigure their operations, repurpose their budgets to meet the changing demands of impacted businesses, and award over \$750,000 in sub-grants to over 300 local businesses;
- Securing a Small Business Administration declaration for economic injury assistance allowing District businesses to be the first in-line in the region to apply for pandemic disaster loans;
- Assisting numerous businesses across all industries with technical assistance with federal loan application processes;
- Utilizing the DC Business Toolkit to direct businesses to resources offered through CDFI partners;
- Organizing and participating in a host of tele-town halls and webinars geared towards helping businesses find new and innovative ways to pivot, survive, and thrive;
- Playing an active role on the District Economic Recovery Team (DERT) and the ReOpen DC Advisory Group's Retail and Small Business Committee; and
- Contacting over 1,800 certified business enterprises to check-in and address their needs.

To ensure continued cross-agency and non-governmental entity collaboration, DSLBD works with the District Economic Recovery Team to put forth shared recommendations to address the ongoing public health crisis.

**113. The Coronavirus Support Emergency Act of 2020 allowed the Department to issue grants or loans to eligible small businesses experiencing financial distress as a result of the significant reduction in business revenue caused by the public health emergency. Please discuss how many applications the Department received from small businesses applying for these grants or loans and how many businesses actually received the grants or loans.**

- a. Please discuss if the businesses that received these grants or loans are still operating today and how much was actually disbursed.**
- b. Please discuss if there are any funds remaining**

**Answer:** The Department adapted Robust Retail Citywide to better assist businesses during the pandemic by changing the grants program to be fully cost reimbursable, and making grants to every eligible business utilizing additional funds made available from other programs within DSLBD and from DMPED. In FY20, we received a total of 162 applications. Of those, 106 were deemed eligible and funded at \$7,500 each.

The Robust Retail grant is currently undergoing another award round. We received 746 applications for this latest round. We also amended this grant process to be cost reimbursable and awarded via lottery to reduce the application burden, and to launch the simplest grant program possible under existing District grantmaking laws.

**Answer (a):** In FY20, we disbursed the initial \$400,000 from the grant fund, and then added an additional \$395,000 from various other sources to ensure some funding went to all 106 eligible applicants. At the point of signing the grant agreements, we collected reporting on qualifying reimbursement expenses and immediately closed out the grants to make the process easier on applicant businesses. We, therefore, do not have reporting on how many are currently still open; however, as of January 20, 2021, we know at least 63 of the 106 are still operating, and believe many more are as well. In their final reporting from the previous round, many businesses expressed that the fast disbursement turnaround and flexibility of the use of the grant funds helped them successfully pivot and stay open.

**Answer (b):** There is no funding remaining from FY20. For FY21, the grant program is still in process, but the grant is heavily oversubscribed with over 700%, beyond the funding capacity and expenditure of the initial grant funding pool of \$795,000 in FY20.

**114. Under the Coronavirus Support Emergency Act of 2020, agencies may make advance payments of up to 10% of the total contract to certified contractors for goods or services related to the public health emergency. Please provide any feedback or complaints that the agency may have received from small businesses or other agencies regarding this provision. Please also share any recommendations that the agency may have to improve this section of the law.**

**Answer:** To date, the agency has not received any feedback or complaints about this provision.

**115. Under the Coronavirus Support Emergency Act of 2020, the Council increased the minimum dollar volume (from 35% to 50%) that a contract in excess of \$250,000 may be subcontracted to a CBE in the District. Please provide any feedback that the agency may have received from other agencies or small businesses regarding the change.**

**a. Please provide the total number of contracts that may have been awarded under this new minimum threshold.**

**Answer:** Based on information in the Transparency Portal, approximately 180 new contracts have been awarded under the 50% subcontracting law. The law has been applied to all new contracts after the effective date of the legislation. The impact of the law has been two-fold: first, we believe this law was instrumental in providing much-needed opportunities to struggling CBEs, through the power of local government procurement, during the public health emergency, and contributed to the over \$1 billion dollars spent with CBEs in FY20; second, we believe that it has contributed to the number of waiver requests from contracting agencies due to the operational inability of some prime contractors to meet the 50% threshold. We have not received any direct substantive feedback about the change from contracting entities.

### **Cannabis**

**116. With the shift in Senate and the election of a new democratic president, there is a probability that Congress might remove the appropriation rider that prohibits the District from legalizing recreational cannabis. If you may, please share some of the services or ideas that the agency may have to assist budding entrepreneurs successfully entering this industry.**

**Answer:** Through the work of our Inno.ED division, DSLBD helps to remove barriers to entrepreneurship across all industries with financial assistance and trainings offered through our ASPIRE, Made in DC, and Dream Grants Programs. Any specific District programming formally launched in the cannabis space would be dependent upon the exact framework of rules set forth in any legislation creating a legal market.

**117. It is a well-established rule that the war on drugs in the 1980s have disproportionately disrupted African American families and other families of color. If recreational cannabis is legalized in the District, what plan does DSLBD have to provide families in this predicament an advantage so that they can fairly compete in the cannabis industry?**

**Answer:** Through the work of our Inno.ED division, DSLBD continues to help build the District's entrepreneurial ecosystem by identifying and developing small businesses owners across all industries through a host of statutory programs (*e.g.*, ASPIRE, Made in DC, Dream

Grants). Since their inception, these programs, all designed to remove barriers to entrepreneurship through trainings and grants, have attracted majority participation from persons in traditionally underserved populations, and could benefit disadvantaged entrepreneurs that wish to enter the competitive cannabis market. Furthermore, as the District places a greater emphasis on equity, DSLBD will continue to make fairness and inclusivity a priority in our decision making and programmatic offerings for startups. One possible way to do this would be to first convene stakeholders interested in ensuring equitable access to cannabis industry opportunities to better understand barriers, needs, opportunities, and partnerships that could help develop targeted programming to meet interested entrepreneurs where they are.

## APPENDIX

Question #s)	Attachment/File name
1	Organizational Chart (Q1)
2	Schedule A (Q2)
6	MOUs FY20-21 (Q6 Q7 Q10)
7	MOUs FY20-21 (Q6 Q7 Q10)
8	Special Accounts (Q8)
9	FY20-21 PCard Transaction Detail (Q9)
10	MOUs FY20-21 (Q6 Q7 Q10)
13	Capital Projects - Small Business IT System (DES Funding) (ENS16C) (Q13)
14	FY19-21 Budget (Q14)
15	FY20-21 Reprogramming (Q15)
18	FY20-21 Contracts (Q18)
25	FY20 PAR (Q25)
26	FY21 Performance Plan (Q26)
28	FY20 Annual Report (Q28)
35	FY19 Expenditure Report (Q35) FY20 Expenditure Report (Q35) FY19 Expenditure Report - Supplemental (Q35a) FY20 Expenditure Report - Supplemental (Q35a)
36	CLD January Courses (Q36)
48	Electronic Databases (Q48)
58	DES Outputs and Deliverables (Q58d)
66	DBEs by Race Gender and Ward (Q66b)
94	Approved Waivers by NIGP Code (Q94)
95	FY19-20 Approved Waivers (Q95d) FY19-20 Denied Waivers (Q95e)
97	FY19-21 Closed Projects (Q97)
98	Monitored PPDs - Developers (Q98) Monitored PPDs (Q98)
99	Monitored PPDs (DMPED-DGS-DHCD)(Q99)
104	Main Streets FY19 Subgrants (Q104)
106	Main Streets FY20 CBE Expenditures (Q106b) Main Streets FY20 Subgrants (Q106b(i))