### FEDERAL CITY COUNCIL

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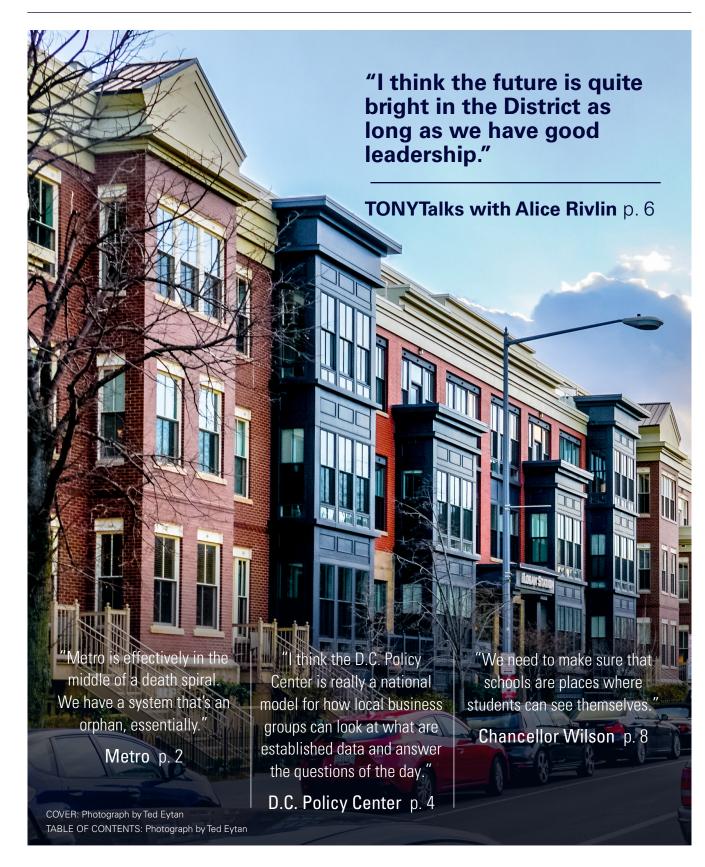
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# D.C. Policy Center: Demographics Shape Urban Landscape

Metro Reform Gaining Traction Chancellor Wilson Aims to Achieve

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## Letter from the CEO and Executive Director

#### Dear Friends,

Washington, D.C., is experiencing a period of dramatic transformation today that could have profound effects on the District in the future. Times like these call for the Federal City Council (FC2) and other community organizations to step up and to provide vital civic leadership.

FC2's reputation for developing pioneering initiatives means it is well placed to offer leadership. We are focused on addressing current District concerns and ever mindful of a future that will require D.C. to be more dynamic, resilient and competitive.

In this Spring/Summer 2017 edition of *Catalyst*, we are pleased to share details about one of the FC2's initiatives we believe will be integral to our city's future: the D.C. Policy Center, a nonpartisan, action-oriented think tank committed to advancing policies for a strong and vibrant District economy.

The D.C. Policy Center, which launched in February 2017, will inform local and regional policymaking by offering trusted data and analyses on the District's economy and demography. Databased tools and feedback will allow government leaders to determine if their incremental and substantive policies will lead to better performance and competitiveness.

Another important issue you'll find in this edition of *Catalyst* is a story about Metro. We take a closer look at the FC2's proposal to put Metro into the hands of a reform board to ensure its long-term viability. As a city, we know what an effective control board can do to rebuild public confidence and trust, and we hope the same can be done for Metro.

We invite you to read our latest TONYTalks, which features a lively conversation with FC2 Trustee and friend Alice Rivlin. A respected leader, Alice has played central roles in the Executive Branch, as well as serving as the Founding Director of the Congressional Budget Office, Vice Chair of the Federal Reserve Board and Chairman of the District of Columbia Financial Management Assistance Authority.

The measure of our activities, many of which are included in this edition of *Catalyst*, has been their quantifiable impact on the District and its residents. As we speed into 2017, the work and leadership of the FC2 remains as vital today as ever to the District and the region.

Sincerely,

Tay hilling

Anthony A. Williams

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# at the Top of Regional Agenda

The loss of revenue and ridership, and the failure of local jurisdictions to address Metro's ongoing problems, has compelled the Federal City Council (FC2) to call for the appointment of an interim control board to oversee Metro operations.

The FC2's insistence on the five-member control board for the Washington Metropolitan Area Transit Authority (WMATA) is a response to the ongoing decline of Metro and the threat of a failing Metro poses to the region's mobility and economy.

"Metro is effectively in the middle of a death spiral," said FC2 Deputy Executive Director Emeka Moneme, noting that the interim entity could govern Metro, safeguard its finances and get it back on track. "We have a system that's an orphan, effectively."

The control board would take over the duties of the 16-member WMATA board in an effort to remedy the system's failures, while also ensuring that federal and local subsidies continue unabated. The board would be similar to the entity that oversaw the District in the late 1990s.

The FC2's petition has gained traction among regional leaders who believe that a control board may be established through legislation. The

legislation would call for an amended WMATA Compact, which would create a smaller, more effective governing body, embed efficiency and innovation into system operations and provide for predictable and reliable funding. Legislation being developed and offered by U.S. Reps. Barbara Comstock, R-Va., and John Delaney, D-Md., contain some principles that are consistent with the FC2's proposal.

"Given the urgency of the situation and the demonstrated lack of coordinated leadership, it is reasonable to assume that true reform will not take place without an interim control entity to govern Metro, safeguard its finances and get it back on track," says Anthony Williams, FC2 CEO and Executive Director. "With so much at stake, we believe that immediate action is needed and we must thoughtfully pursue this option."

Moneme says the advantages of the control board are its singular focus on the stewardship of Metro and the confidence it would engender in local jurisdictions and Congress. The board would have the authority to pursue the restructuring of Metro operations, better align labor and management around increased productivity and other actions that lead to a more sustainable Metro.



At the FC2 Winter Board Meeting in February 2017, Mayor Muriel Bowser told the attending trustees that the District stands ready to do what is needed to keep Metro open, but she pointed out that Maryland and Virginia would need to be involved if there is to be successful action at the signatory level.

#### Infrastructure DC Update: The Langston Initiative

Redevelopment of the three popular National Park Service (NPS) golf courses in the District of Columbia is believed to be imminent, thank to a draft Letter of Intent (LOI) between the NP and Infrastructure DC (IDC). IDC is the Federal City Council's (FC2) independent nonprofit that will deliver sustainable, performance-based infrastructure projects.

The LOI encompasses multiple NPS facilities: the historic Langston Golf Course, the Rock Creek Golf Course and the East Potomac Park Golf Course (Haines Point), as well as the tenr facilities at East Potomac.

With its partners, IDC has begun the process of negotiating a lease that will allow it to make short-term improvements to the courses. "In the short term, the work will be very tactical," says Emeka Moneme, FC2 Deputy

"The bottom line for us is we cannot sustain where we are without a functioning Metro," says Bowser of the District's economy. "The District is going to be very involved in driving the conversation around funding and the safety commission, but at the end of the day Maryland and Virginia have got to pony up. There's no way around it."

ks PS at	Executive Director. "We want to make an immediate impact on all of the courses at once. Rebuilding the sand traps, re-seeding sections, trimming back trees and making modest improvements to greens, turf and irrigation systems."
	Simultaneously, IDC and its partners are working with the District government to plan a long-term investment strategy to complete a full renovation of the facilities, including the redesign of greens, tees, fairways and bunkers,
nis	new irrigation systems and improved amenities. This work will dramatically improve the quality of the courses and elevate their standing as recreational assets in the District. At the
e	same time, IDC and its partners will work with community members in the Carver-Langston neighborhood to foster positive and equitable economic, educational and health outcomes.

# DC-POL Thinking Broadly About the District and the Region D.C. POLICY CENTER

Adeptly analyzing the urban landscape, especially one as complex as the District of Columbia, can help produce data-driven insights and intellectually rigorous policy prescriptions to address the city's thorniest problems.

The D.C. Policy Center, the latest initiative from the Federal City Council (FC2), is committed to the task. It will use data to study every feature of the District, from its economic performance to its demographic diversity to the contours of its distinct neighborhoods.

"I think the D.C. Policy Center is really a national model for how local business groups can look at what are established data and relevant benchmarks and answer the questions of the day," says Anthony Williams, FC2 CEO and Executive Director. "What's the framework in which we set the right expectations for a business and the right expectations for government in terms of policies and practices that promote growth in the economy, jobs and economically livable cities?"

Established in 2016, the D.C. Policy Center is a non-partisan think tank pledged to advancing policies to ensure a dynamic regional economy. By offering groundbreaking data and analyses, the D.C. Policy Center can better inform local and regional policymaking and practice.

With its official launch, the D.C. Policy Center unveiled its charter, Broadening Our Thinking on the District: The Framework for the D.C. Policy Center, a document assessing the economic and demographic patterns that shape the District and the metropolitan area. The analysis shows that jobs and residents are distributed across the region with people and businesses choosing the most advantageous locations, and jurisdictional fragmentation in the region, including the District's own government, weakens policymaking.

"Our policies, investments and actions reverberate across the metro region, pushing or pulling businesses, workers and residents in and out of

our city," notes the initial piece that introduces the D.C. Policy Center to the public. "We must pay more attention to our position within the metro region. We are administratively separate, but when it comes to jobs and people, we are deeply connected to our broader economic unit."

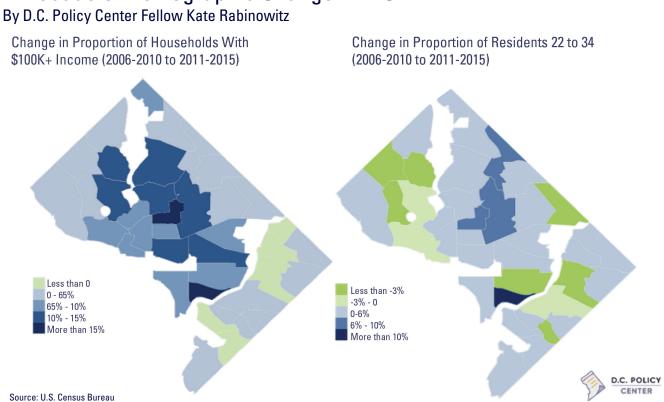
The region has considerable strengths, according to the D.C. Policy Center's research. They include: its growing economy; its numerous high-skilled workers (on par with the San Francisco Bay area) that are spread throughout the region; and residential employment that is growing faster than the jobs available. The District's economic base is also more expandable than its limited geography would suggest, and population growth has been among the strongest in the nation, lifting incomes and demand for services. Additionally, the city has invested wisely in affordable housing (but more could be done).

But there are drawbacks. The District's economy remains too specialized around and sensitive to changes in the federal government; jurisdictional fragmentation between D.C., Maryland and Virginia threatens long-term growth; and transportation policy is weak regionally when it needs to be strong to ensure the viability of Metro. Moreover, policymakers are quick to ignore the beneficial forces of a competitive economy, and protectionism is on the rise. Housing choices are shrinking for middle-income families at this time, and there are few efforts to collaborate on cross-border issues such as encouraging workforce development and strengthening the social safety nets.

"We will look at proposals and different policy positions through the lens of economics and demographics," said Yesim Sayin Taylor, the D.C. Policy Center's Executive Director. "Our intent is to replace the national organizations that bring their own agendas to our city with an organization that is focused on the District and the region. We will ask how and whether something works for our city and how to apply it."

#### A Decade of Demographic Change in D.C.

\$100K+ Income (2006-2010 to 2011-2015)



What information there is available to policymakers and thoughtful analyses so that policies that might tends to focus on inequalities, which are highly harm the District economy, even if well intentioned, important but don't tell the whole story. The D.C. may appropriately be reconsidered," says Charles Policy Center's role is to look broadly at the impacts "Sandy" Wilkes, Chairman of the D.C. Policy of policies, investments and socioeconomic trends Center's Board of Directors and an FC2Trustee." The on the D.C. government, businesses and economy. D.C. Policy Center hopes to play an equal role in determining if specific policy proposals do indeed "The D.C. Policy Center will provide our elected pass the test of first do no harm to the District's officials with reliable data, impeccable research economy and its tax base."

#### Short Takes: Further Analysis from the D.C. Policy Center

- that supports applications for licenses and permits.
- areas in the United States.
- Executive Director Yesim Sayin Taylor asks, *Can Fiscal Risks be Eliminated with More Taxing and More* engineered recession that could follow reductions in the federal workforce.
- reporting.

To learn more, visit the D.C. Policy Center (dcpolicycenter.org) and subscribe to the content.

In Money for Nothing: D.C. Businesses Pay a Technology Fee but Get Very Little in Return, Fellow David Bishop revealed that the District is collecting millions in business tech fees, but it has invested very little in technology

Fellow Becky Strauss reports that D.C. Leads in Anti-poverty Policies. The District's investments on behalf of vulnerable citizens are significant, and they have increased living standards compared to other large urban

Spending? The bigger risk facing the District's economy is not from reductions in federal grants, but a federally

Senior Fellow Kate Rabinovitz explores *Why Visualizing Open Data Isn't Enough*, exposing how open data can lead to poor analysis if the analysts do not consider how data is created and how it can be biased by self-

# **TONYTalks**

# Tony Williams in conversation with Alice Rivlin

Anthony Williams and TONYTalks guest Alice Rivlin have a history together. A friendship forged during the chaotic early days of the D.C. control board, the two have worked side-by-side to help the District weather some of its most dire financial troubles, and then watched it soar as a result of their efforts.

An FC2 Trustee, Dr. Rivlin has had a notable career in public service. She served as Director of the Office of Management and Budget (OMB) and Vice Chair of the Federal Reserve Board. She was the Founding Director of the Congressional Budget Office, and served as an Assistant Secretary of the U.S. Department of Health, Education and Welfare. A Senior Fellow with the Brookings Institution, she served as Chair of the District of Columbia Financial Management and Assistance Authority from 1998 to 2001.

**TONY:** Many people think your work on behalf of the District starts with the control board, but it began much earlier. The control board was instituted to address a series of problems that were really called out and projected by the Rivlin Commission. How unfortunately prophetic you were.

ALICE: That takes us back to the late 1980s when then-Mayor Marion Barry realized the District was going to get into trouble financially because it had a big downtown office boom that was coming to an end. He had used the revenue that came from this good tax situation to hire a lot of people and provide a lot of services in the District. If the tax revenues fell off, he knew there was going to be trouble, so he created a commission on the fiscal future of the District of Columbia. I was chair of it. We looked at the situation and found that the mayor was right.

The situation wasn't really stable. We discovered the phenomenon that you, Tony, rediscovered later on, which was that tax collection in the District of Columbia was not managed very well. The big problem with the District is that it's prohibited from taxing the income of people who work here but don't live here. That's unique to the District. All states can tax nonresident income but the District cannot. The situation was fairly dire. That





Anthony Williams

Alice Rivlin

Commission report was not given to Mayor Barry but his successor. They didn't follow the recommendations assiduously but it did lay the groundwork.

**TONY:** Now we roll the tape forward and you're the director of OMB. The District is in distress. How did you come up with the notion of a control board?

ALICE: The thinking was we've got to do something. We can't let the nation's capital go bankrupt. That never actually happened but it was pretty close. The nonprofits in the District were actually providing the services without getting paid. It was a pretty desperate situation. What normally happens with a city in trouble is the state takes over and that had happened in a number of jurisdictions, New York, Ohio and Pennsylvania. But we didn't have a state. The federal government had to do something.

TONY: With the support of the control board, we were able to bring in a really good team of people to get the finances back on track. I remember a yeoman's effort in 1996 that we had to get this fixed. It was a huge team effort. It was an exciting time in my life.

ALICE: There were difficult moments, particularly for Dr. Andrew Brimmer (the first control board Chairman) and his team. The control board was perceived as outsiders coming in to take over. That's never good. They had to do some difficult things. They had to cut spending and cut payroll. They had the right priorities. They protected social services and the most vulnerable people, and they protected the schools. But some things got fairly drastically cut that had to be repaired afterward.

There were deep cuts at the University of the District of neighborhood. You end up with a problem for schools Columbia (UDC) and, in retrospect, they were too deep. and with crime. If you can, without displacing people, you need to recreate the neighborhood so it's more TONY: We lost some important things. I think 90.1 was mixed-income.

one of the great jazz stations in the country, and it had to be sold. That was the UDC station. There were painful cuts.

ALICE: In 1999, when you became mayor, things were already getting a lot better. Some things had happened that were, partly, the results of the national economy turning around. The country had gotten more prosperous, and the District was part of that.

TONY: There are consequences and ramifications that have conversations between D.C. and the suburbs on you have to deal with [when you have development housing and health care. and growth]. The good part of gentrification is when I'm on the bus going to work, and kids are going to **ALICE:** A prime example of where we ought to school, they see me. They get exposed to role models. cooperate is Metro. Surely a new way of financing Metro involves all of the jurisdictions and the federal government, and that could put us in a much stronger displacement? situation...I think the future is guite bright in the District as long as we have good leadership. Cities are actually **ALICE:** In so many neighborhoods, people who lived coming back all over the United States. Some are in desperate trouble like Detroit, but, in general, people house, then they benefited in terms of its rising value. are rediscovering city living. Problems like gentrification are good problems to have as long as you handle them and they couldn't afford to live in that neighborhood. right. The period of cities decaying and emptying out

The downside is the displacement. How do we develop a housing strategy that gets us out in front of there a long time have been priced out. If they own their If they were renters, the rents went up all around them is over. What the District has to do is keep being a That is a serious problem, especially in the rapidly gentrifying neighborhoods like Columbia Heights. good place to live and work, and make real efforts to

**TONY:** We used to have problems with an incentive everybody's needs. economy in that everything was declining. The neighborhoods had to have prices stabilized to prevent TONY: I think the trick is leveraging the might and abandonment. We had to set a floor. Now we've power of the federal government. It's always going flipped and have to provide a ceiling. What are the to be powerful. We want to use it to diversify our techniques to provide a ceiling? We put a percentage economy in cyber-security and health care. We'll of the recordation tax into the housing production always be the federal city, carving out our own identity trust fund. It came from the churning of real estate, as local Washington. and it was redistributive. Can we use some of that to maintain affordability with lower prices? We're learning There are three cycles of the American city. We had a lot about how to do neighborhood revitalization and the tremendous growth of the American city, then how to prevent displacement. There is good news in the decline of the American city, and now we see the D.C. where you've had one-to-one replacement of lowthird cycle where the cities are coming back again. The District is firmly in that third cycle now. income units, but again that's very expensive. That's the mayor's challenge. We all learn from one another as we evolve forward. The FC2 thanks Alice Rivlin for sharing her thoughts

ALICE: One of the difficult things has been concentrated poverty. The District had and still has some public housing that is really having the effect of concentrating very low-income people in a

**TONY:** I think we have a big opportunity with regionalism where the parties' interests align. Eighty years ago, if the suburbs wanted to negotiate with D.C., we didn't want to because the city was doing so well. Why negotiate with the suburbs on sharing of responsibilities? Then when you roll up to the time of the control board, the suburbs didn't want to negotiate with the city. D.C. is coming back, and we're approaching parity again. Now is the time to really

keep a very diverse population here and respond to

with us for this edition of TONYTalks. Please note, this interview has been edited for length. Please visit federalcitycouncil.org for Tony's full conversation with Alice Rivlin.

# DCPS Chancellor Antwan Wilson

Touts the Importance of Strategic School Design and Increased Collaboration

Antwan Wilson, the new Chancellor for DC Public Schools (DCPS), believes applying the principles of strategic school design could be advantageous in improving struggling District schools and providing greater educational opportunity for children and parents across the city.

"When you're trying to improve the school, you don't have to guess about what we need to do," says Wilson. "We have choice data [which includes] school achievement data and performance data. We're going to duplicate those types of opportunities. When you do that, those schools need support for the transformation to move from one type of model to another."

The process of strategic school design emphasizes merit in teaching, personalized learning and support for students, and creative, cost-effective solutions that result in long-term school improvement. The path to that goal is through excellence and equity, says Wilson, noting that proficiency is a floor and not the ceiling.

Shortly after assuming his position on February 1, Wilson spent time visiting schools, meeting with teachers, students and parents, and exploring what is working in District schools and what is not. Wilson says he was impressed with the high degree of talent in District schools and the commitment for public education. According to the 2013 and 2015 National Assessments of Educational Progress, DCPS is the fastest-improving urban school district in the nation.

"It really takes all of us to ensure every child has the best opportunity to make all things possible in their lives," Wilson says. "I believe excellence can be achieved together. I'm very interested in thinking through how all the parties can come together toward a common north star."

Mayor Muriel Bowser recruited Wilson from the Oakland Unified School District, where he had been superintendent for more than two years. Prior to serving in California, he spent six years as Assistant Superintendent for Post-Secondary Readiness with the Denver Public Schools.

"We have made tremendous progress at DCPS," says Anthony Williams, CEO and Executive Director of the Federal City Council. "We've had three great chancellors now. We look forward to working with Chancellor Wilson to continue to build on the good work of previous chancellors."

Wilson is a 2014 graduate of the Broad Superintendent Academy, a two-year training program that educates top-level leaders committed to driving dramatic improvements in urban public education. He believes that several DCPS initiatives—study-abroad programs, extended-year schools and exposing middle school students to STEM programs—are providing students with the tools for excellence.



"We need to make sure that schools are places where students can see themselves."

In terms of equity, one of Wilson's strategies is to ensure students' individual experiences are respected and then determine how faculty can develop approaches that better meet student needs. "We need to make sure that schools are places where students can see themselves and they're also the right places for students," says Wilson, noting that diversity is a critical objective.

Wilson is optimistic about his chances of working with leaders of the Washington's Teachers Union. "We won't always agree. The question is, for me, is how do we behave when we don't agree?" said Wilson. "For my part, I intend to be respectful and professional, and try to work for solutions that don't require us to compromise our principles, but try to behave in a way that we respect the need that a labor organization may have for whatever they're trying to do."

#### Anacostia Waterfront Trust – A Significant Step Forward

The National Park Service (NPS) released intrinsically valuable in many ways, and Anacostia Park incorporates more than nine linear miles of in February the much-awaited draft of its Management Plan/Environmental Assessment for public riverfront. Anacostia Park, the 1200-acre national park that stretches along both sides of the Anacostia River. If the appropriate planning and investment takes

"It's an important milestone," says Anthony Williams, CEO and Executive Director of the Federal City Council. "The new plan lays out the contours for the work we're going to do and gives us a sense of the National Park Service's priorities. Now we've got a playing field on which to work with them to envision and implement specific improvements."

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The NPS will issue a final management plan later this year after it receives input from local stakeholders on the draft. The plan is intended to clarify how future investments and activities will be placed on the landscape and will serve as the guidance document for the next 15 to 20 years.

Anacostia Park plays a central role in the geography, social history and future development of the District. Urban riverfront property is

#### **City Resilience Agenda-Setting Workshop**

The District has taken crucial steps toward building a more resilient city by enlisting local stakeholders to describe potential threats and social challenges the District will face in coming years—and to outline what strategies and tools must be employed to mitigate them.

The Federal City Council (FC2) joined District leaders and local stakeholders at the 100 Resilient Cities (100RC) Resilience Agenda-Setting Workshop in February 2017. The workshop was one of the District's first public engagements since becoming a member of the 100RC network last vear.

"The FC2 was a catalyst in working with the District to get its designation as a Resilient City." says Anthony Williams, FC2 CEO and Executive Director. "We will be working with them as an ally to get that to fulfillment."

Along with considering potential challenges to the city, the workshop's goal was to outline resiliencebuilding tools to address those challenges. The workshop also began the process of identifying

place, says Doug Siglin, the Trust's Executive Director, Anacostia Park could ignite economic opportunity in adjacent neighborhoods and unite the people of the District on both sides of the Anacostia River, which has inadvertently served as a major historical dividing line.

With so much at stake, the District has responded aggressively to the need for more comprehensive coordination of the Anacostia Waterfront plans and initiatives. The DC Office of Planning has appointed a Waterfront Lead to convene an Anacostia Waterfront Interagency Working Group. The DC Department of Energy and Environment hired an Anacostia Coordinator focused on river cleanup. The District will also complete this year a progress report on the implementation of the 2003 Anacostia Waterfront Initiative, which will highlight opportunities moving forward.

the priorities, actions and metrics for a resilience plan, one of the requirements for 100RC member cities.

The plan, which will be drafted over the next year, will emphasize building partnerships and alliances as well as developing new financing mechanisms for the city. Holistic and action-oriented, it will underscore the importance of meeting the needs of vulnerable populations.

The District will name a Chief Resilience Officer (CRO) shortly. The CRO will lead the city's resilience efforts and continue to engage stakeholders in completing the comprehensive resilience strategy.

Washington, D.C., was selected from more than 1.000 cities worldwide to become part of the 100RC network, a non-profit underwritten by the Rockefeller Foundation. Through its participation, the District receives technical support and resources to fund the CRO position, and to develop and implement a resilience strategy for handling natural and man-made challenges.



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