



Testimony of Glover Park Main Street before the Committee on Business and Economic Development

Monday, April 8, 2024

Mr. Chairman and Members of the Committee:

While I would have preferred to testify live at the hearing, I had the pleasure of serving jury duty while you met, so I offer these written comments in its place.

My name is Kate Dean and I am the Executive Director of Glover Park Main Street (GPMS). On behalf of our Board and the 94 businesses we serve, thank you for continuing to believe in our Main Street program – it has made an enormous difference in the Glover Park community.

The increased funding in FY24 came at a much-needed time. Small businesses in DC are struggling to stay alive right now, there is no more polite way to phrase it. Their operating costs have risen sharply, while their staffing pools are shallow. Rents remain sky-high, and some unlucky souls face uncertainty due to landlord issues and foreclosures. Work-from-home, a dearth of public transport, and low foot-traffic continue to complicate the outlook for the city's business corridors.

This is where the Main Street steps in. We have the privilege to help businesses in trouble, like in December when a black-owned architecture firm in Glover Park lost their Xerox. They had been paying the lease and service fees for years, and one day were told their machine was no longer supported. As a business reliant on large print jobs, they could not operate without a Xerox. Even used machines cost nearly \$8,000, not including monthly service fees. We were able to help with a portion of the costs, and they leased a refurbished machine. The owner was so gracious, she sent our Board a Christmas card and a thank you note with pictures of the replacement!

Additionally, this year, GPMS has been able to bring on two hourly CBEs to directly assist businesses with compliance issues. These consultants go into the businesses, into their computers, and help solve complex tax and regulatory compliance problems. Many of our businesses are immigrant-owned, so there may be language hurdles, and in general, most businesses are so busy being small businesses that - without malice - some of the filing requirements fall off their calendars. We have been working very hard to address all issues and have been playing catch-up since the pandemic. Each problem is unique and time-consuming and may involve a web of CPA filings and conversations with multiple DC agencies. That said, we have successfully resolved a number of quagmires this year, ensuring that back taxes are paid, regulatory fees filed, penalties paid, all of which is a net gain for the District. Supporting our work directly goes back into the city's coffers.

Even with increased funding and additional experts at work, unfortunately, Glover Park has seen the closure of six businesses in the past few months. While there have been a handful of new leases and openings, closures equal vacancies, and vacancies leave a visible, worrisome mark. As



I've said in previous years' testimony, closures have a psychological effect on the neighborhood, both on residents and fellow business owners. It beckons that deeper problems lie in wait. I don't believe that DC is through seeing tough times for small businesses, and while unrealistic in this economic environment, frankly, we could use more resources, not fewer.

We Main Street directors tend to brag that we can do so much with so little, but that really isn't fair. We might be stretching dollars and resources, but it is done on the back of people's labor, sacrifice, and continuous ingenuity. Dedicated CBE contractors work for rates far below market. Expectations on program directors are set exceedingly high; many of us work all day, many nights, and on weekends. Every year, these programs produce. In the years I have been doing this, my colleagues and I respectfully requested a not-before-received increase to cover a very fair cost-of-living adjustment, and to provide additional program funds to meet the requirements of the grant more broadly. We received additional support for one fiscal year only. Is it reasonable to conclude that those costs have decreased? Have average wages gone down? Is DC a less expensive place to live in 2024? Can we be expected to practicably fulfill grant requirements at rates lower than before? It was fair in the past to ask why increased support was needed, and it is also fair to ask how we go forward with 25% less.

I recognize that cuts need to be made across the city, it is just regrettable that they come from economic development when a neighborhood like Glover Park needs it most. While situated in Ward 3, Glover Park is not Metro accessible. It does not have the density of other neighborhoods but is home to generations of DC residents and many young families. Its commercial corridor is anchored by many legacy businesses, but has geographic challenges, situated along a steep section of Wisconsin Avenue, NW, and lacks parking. And while it is a leafy and welcoming place to live, the business corridor has experienced increased crime, persistent vacancies (an issue we raise year after year), and a massive downturn in foot traffic due to a host of factors, some listed above. This community needs investment from the city. It needs GPMS. We are not only a jack-of-all-trades for navigating business matters and compliance issues, but we do annual blight eradication and façade improvements. GPMS just completed four large projects, one at an establishment that was hit with five armed robberies over the winter. By improving the streetscape, we try address eyesores the business cannot afford to remediate. This work is a gift to the neighborhood as we strive to make the community appear as it really is – inviting, diverse, friendly, and safe. We used some of the increase to tackle projects we would never have been able to undertake previously, and hired a locally owned, woman-owned, CBE contractor to get it done!

Investing in us *is* investing in the city. We are the boots on the ground. We are a lifeline for small businesses. We partner directly with a long list of government agencies. We are DC residents who hire other DC residents in support of the mission. We do the dirty work, yes, but we are also the creative minds and labor behind celebrated events like Art All Night. We make DC a brighter, more active, more profitable city. Supporting our work, and that of the dedicated DC Main Streets team at DSLBD, benefits us all.

In FY24, GPMS will give out in excess of \$62,000.00 in sub-awards, log more than 800 hours of technical assistance time, and host a handful of community events, attracting thousands of visitors



to this sometimes-overlooked DC neighborhood. That kind of return on investment begs for more investment.

Thank you for the opportunity to submit comments. If GPMS can answer any questions or be available to the Committee in any way, please do not hesitate to be in touch.

Sincerely,

Kate Dean

Kate Dean
Executive Director