

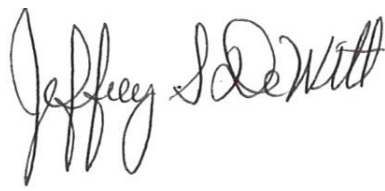
Government of the District of Columbia  
Office of the Chief Financial Officer



Jeffrey S. DeWitt  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Jeffrey S. DeWitt  
Chief Financial Officer 

**DATE:** December 6, 2016

**SUBJECT:** Fiscal Impact Statement – Advisory Neighborhood Commissions  
Omnibus Amendment Act of 2016

**REFERENCE:** AINS for Bill 21-697, sent to the Office of Revenue Analysis on  
November 15, 2016

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*This fiscal impact statement replaces the statement we issued on October 26, 2016. We have updated the statement to reflect the changes Council has made to this bill.*

**Conclusion**

Funds are not sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill. The bill will cost \$159,000 to implement in fiscal year 2017 and \$1.1 million over the four-year budget and financial plan.

**Background**

The bill makes<sup>1</sup> several additions and changes to the advance notices District agencies send Advisory Neighborhood Commissions (ANCs), the services the Mayor provides ANCs, the responsibilities of the Office of Advisory Neighborhood Commissions (OANC), and the rules that govern ANC operations.

**Advance notices**

Current law<sup>2</sup> lists several actions for which all District agencies must give advance notice to ANCs. The bill aligns the law with current practice, making clear that the only actions for which all District agencies must give ANCs a 30-day notice are the intent to acquire property or the intent to change

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<sup>1</sup> By amending the Advisory Neighborhood Councils Act of 1975, effective October 10, 1975 (D.C. Law 1-21; D.C. Official Code § 1-309.01 et seq.)

<sup>2</sup> D.C. Official Code § 1-309.10.

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the use of a property the government owns or leases. The bill exempts Council from this advance notice requirement.

The bill keeps in place specific advance notice requirements for the Alcoholic Beverage Control Board, the Department of Consumer and Regulatory Affairs (DCRA), and the Office of Zoning. It clarifies that the Office of Zoning must give a 30-day advance notice for hearings and actions on zoning cases; currently the law does not specify a time period for the notice.

The bill adds a new requirement that the Historic Preservation Review Board (HPRB) provide notice to ANC's of any application, public hearing, or action on any HPRB case. The notice must include the Historic Preservation Office report on the case.

Currently, agencies are required to send notices to ANC's by first-class mail. The bill strikes this requirement, and allows agencies to send notices by email unless an ANC requests to receive notices by first-class mail. Exempted from this rule are the lists of applications for construction, demolition, and razing DCRA sends ANC's twice per month; DCRA sends these lists via email and the bill removes the requirement that DCRA provide these lists via first-class mail upon request.

#### Services the Mayor provides ANC's

The bill requires the Mayor to do the following:

- Reimburse ANC's for money spent on translation of ANC documents into another language, interpretation of ANC meetings into another language, and the purchase or rental of assistive listening systems;
- Provide an email account for each ANC chairperson and create an ANC portal where District agencies and commissioners can post information and interact with each other;
- Help commissioners find office space when no District-owned or -leased space is available in a commissioner's ANC district or ward; and
- Provide informational materials on the role of ANC's to new supervisors.

#### OANC responsibilities

The bill clarifies and expands the responsibilities of OANC. The new responsibilities the bill requires OANC to fulfill include: improving public transparency (which OANC interprets as educating the public on the role of ANC's), holding two trainings a year for ANC commissioners (right now OANC does a training every other year for new commissioners only), holding one training a year for District agency staff, advising ANC's on judicial court and administrative court decisions, and giving commissioners in-person or electronic briefings on legislation under review by the Council upon request.

The bill also transfers the responsibility of providing financial oversight of ANC's from the D.C. Auditor to OANC. Currently the Auditor reviews the ANC quarterly financial reports, maintains a database of several years of financial information for each ANC, and provides financial management

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training to commissioners, among other financial oversight duties. The OANC will perform these duties if the bill passes.

The bill also requires applicants for ANC grants to submit a copy of the application to OANC. After an ANC issues a grant, the grantee must send a statement about the use of the grant funds, including receipts, to OANC every 90 days. OANC may prohibit commissions from giving grants to past grantees that have previously misused funds. If OANC chooses to do this, the office must keep a list of grantees who should receive future grants.

#### Rules that govern ANC operations

The bill clarifies and makes additions and amendments to the rules that govern ANC operations. Among the changes, the bill: requires commissioners to be physically present at meetings in order to be counted towards quorum; requires commissions to publish draft agendas of meetings online, seven days in advance; clarifies what is considered an acceptable expenditure for "nominal refreshments;" and allows ANCs to reimburse commissioners for childcare expenses while carrying out official business.

#### Other requirements

The bill clarifies the role of ANC Liaisons, which each District agency, board, and commission are required to appoint.

The bill requires the Office of Open Government (OOG) to coordinate with OANC to include OOG-developed Freedom of Information Act (FOIA) training materials in the commissioner training sessions provided by the OANC. OOG will provide FOIA training to ANC commissioners twice a year.

#### **Financial Plan Impact**

Funds are not sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill. The bill will cost \$159,000 to implement in fiscal year 2017 and \$1.1 million over the four-year budget and financial plan.

District agencies can implement most of the requirements in the bill without additional resources.<sup>3</sup> However, there are two requirements that have a cost that agencies cannot absorb: 1) the new responsibilities for OANC, including financial oversight of ANCs, and 2) the requirement that the Mayor reimburse ANCs for language access services.

To meet the requirements of the bill, the OANC will need two FTEs and \$7,600 a year to cover new IT costs. One FTE, a financial specialist, will perform the financial oversight work the auditor currently does, including quarterly financial reviews. The Auditor will transfer this FTE to OANC, so the OANC will not need additional funds for this position. The Auditor will also transfer to the OANC the software it uses to perform its quarterly financial reviews. The Auditor estimates it costs up to \$4,000 a year to maintain and upgrade the software, and up to \$3,600 a year to host the software,

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<sup>3</sup> While the Office of Planning can meet the new notice requirements without additional funding, it might have to lengthen the review process for HPRB cases in order to send out Historic Preservation Office reports along with advance notices.

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for a total of up to \$7,600 a year in IT costs. OANC will need another FTE, a special assistant, to cover new responsibilities under the bill that are not related to financial oversight. The special assistant will create and hold the two trainings a year for ANC commissioners and the annual training for District staff, create outreach materials to educate the public on the role of ANCs, advise ANCs on judicial court and administrative court decisions, and give commissioners in-person or electronic briefings on legislation upon request, among other duties.

To meet the language access requirements of the bill, the Mayor will need \$184,000 a year to reimburse ANCs for translation of documents, interpretation of meetings, and the purchase or rental of assistive listening systems. This is enough money for each of the 40 ANCs to interpret 10 meetings a year into one language, translate 30 pages a year, and purchase one assistive listening system or rent a system for 3 to 4 meetings a year. The Mayor will need a 0.5 FTE to determine allowable reimbursements, devise a reimbursement system, train ANC commissioners on reimbursement procedures, collect receipts, and send out reimbursements to ANCs.

More details about the cost of the bill are in the table below.

<b>Cost of Implementing Bill 21-697, the Advisory Neighborhood Commissions Omnibus Amendment Act of 2016, FY 2017 - FY 2020</b>					
	<b>FY 2017<sup>1</sup></b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>Four-Year Total</b>
<u>OANC</u>					
IT costs <sup>2</sup>	\$3,800	\$7,600	\$7,600	\$7,600	\$26,600
Special Assistant <sup>3</sup>	\$42,418	\$86,533	\$88,263	\$90,029	\$307,243
Financial Specialist <sup>4</sup>	\$42,418	\$86,533	\$88,263	\$90,029	\$307,243
<i>FTE transfer from Auditor</i>	<i>(\$42,418)</i>	<i>(\$86,533)</i>	<i>(\$88,263)</i>	<i>(\$90,029)</i>	<i>(\$307,243)</i>
<b>OANC total</b>	<b>\$46,218</b>	<b>\$94,133</b>	<b>\$95,863</b>	<b>\$97,629</b>	<b>\$333,843</b>
<u>Mayor</u>					
Language access reimbursements <sup>5</sup>	\$92,000	\$184,000	\$184,000	\$184,000	\$644,000
Reimbursement Coordinator <sup>6</sup>	\$21,209	\$43,266	\$44,132	\$45,014	\$153,621
<b>Mayor total</b>	<b>\$113,209</b>	<b>\$227,266</b>	<b>\$228,132</b>	<b>\$229,014</b>	<b>\$797,621</b>
<b>TOTAL COST</b>	<b>\$159,427</b>	<b>\$321,399</b>	<b>\$323,995</b>	<b>\$326,643</b>	<b>\$1,131,464</b>

Table Notes

<sup>1</sup> Assumes an implementation date of April 2017.

<sup>2</sup> Includes \$4,000 a year to maintain and upgrade the electronic quarterly report filing system, and \$3,600 a year to host the system. Assumes the Auditor will transfer the software to OANC in April 2017.

<sup>3</sup> Grade 12, Step 1. Costs include fringe benefits. Assumes costs increase 2 percent a year.

<sup>4</sup> Grade 12, Step 1. Costs include fringe benefits. Assumes costs increase 2 percent a year. Assumes the auditor will transfer this FTE to OANC in April 2017.

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<sup>5</sup> Includes sufficient funding for each of the 40 ANCs to: interpret 10 meetings a year into one language, at a cost of \$200 per meeting; translate 30 pages a year into one language, at a cost of \$75 per page; purchase one assistive listening system or rent a system for 3 to 4 meetings a year, at a rental cost of \$90 per meeting.

<sup>6</sup> A 0.5 FTE, Grade 12, Step 1. Costs include fringe benefits. Assumes costs increase 2 percent a year.