



THE COMMITTEE OF 100

FYI

January 25, 2019

Legislative Update

The 150th General Assembly began its 1st Session on January 8th. The Democratic legislators, bolstered by fresh troops from the blue wave elections in November, began working immediately to enact their favorite progressive legislative priorities. The Equal Rights Amendment to the Delaware Constitution was first up, followed by proposals to create new upper-income tax brackets, liberalize voter registration rules and election procedures, enact prison reform, raise compensation for state employees, and provide mortgage foreclosure protections to furloughed Federal employees. The Governor announced he would back an effort to ban assault weapons, and marijuana legalization appears likely to come up again this year.

In his State of the State address on the 17th, Governor Carney announced several initiatives he will be pushing.

First, elementary education. For the first time, serious funding for disadvantaged students is being proposed - \$60 Million in Opportunity Funding over 3 years to schools with high percentages of students in poverty and English Language Learners.

Although aimed at students statewide, the need for additional funding for disadvantaged students was highlighted over 2 years ago in the work of the Wilmington Education Improvement Commission (WEIC). Backed by The Committee of 100, WEIC urged a change in the funding formula for students to provide the additional help these kids need to be successful. Some are arguing that Governor Carney's proposal to use one-time funds does not go far enough toward fundamental reform. But \$60 Million is a serious investment and a good start.

Second, the Governor is proposing to establish a \$10 Million Transportation Infrastructure Investment Fund to help attract and retain job-creating development with projects not in the Capital Transportation Program (CTP). Similar funds were established in the Markell and Minner administrations, but were later dismantled by the General Assembly.

Thirdly, Governor Carney continues to support the "budget smoothing" process developed by a DEFAC committee last year. The process limits state spending growth to a factor measured by population and personal income growth and inflation. Revenues above that metric will be considered "extraordinary revenue" with half to be deposited into a Budget Stabilization Fund and half for one-time projects. The aim is to hold spending growth to a sustainable level and provide a larger Rainy Day Fund that can actually be used to close budget gaps when revenues are down. DEFAC's calculation of the appropriations benchmark for 2020 is 3.8%.

The Governor presented his budget for FY 2020 on January 24th. He proposed a General Fund Operating Budget of \$4.43 Billion, adhering to the budget smoothing target. The normal 98% appropriation limit forecasted by DEFAC would be \$4.71 Billion. Combined with other adjustments, the resulting "extraordinary revenue" was calculated to be \$184 Million. The Governor's proposed budget sets aside half that amount for the Rainy Day Fund, in addition to the normal set-asides, and devotes the remaining \$92 Million for one-time and capital expenses. The Governor's proposed budget now goes to the Joint Finance Committee (JFC), which will hold hearings in February and early March. The prospects for spending restraint were enhanced by the appointment of Representative Quinn Johnson as co-chair of the JFC. Rep. Johnson was the prominent legislative voice in favor of the budget smoothing process in the last session.

Rounding out the Governor's budget proposal, he recommends spending for Grants-in-Aid at \$48.4 Million and a Bond Bill totaling \$678.6 Million. The trend toward one-time and capital investments is a welcome one.

New Castle County Transportation Reforms

[Ordinance 19-005](#), which enables Transportation Improvement Districts (TIDs) to be established in New Castle County, was introduced to County Council on January 22nd. Passage of this ordinance will be a significant step forward in moving the County toward encouraging smarter development, improving our economic competitiveness, and creating jobs.

Millennials are looking to live, work and play in places with an identity, and where they aren't forced to get into a car to get around. Unfortunately, the Unified Development Code, as it currently exists, discourages the kind of concentrated mixed-use development the next generation of workers is calling for. Instead of designing for a complete transportation network that includes bicycles, pedestrians, and transit, we are still using an outmoded car-only metric to make land use

decisions, and we are still making those decisions one project at a time. This piecemeal approach to growth management serves no one well. It increases the expense and uncertainty for developers and splinters the voice of the community.

One of the major complaints voiced over the years has been the lack of coordination between land use decision-making and transportation planning. TIDs are designed to force that coordination. The upfront planning for a TID will include both a detailed, area-wide land use plan and provision for the transportation network needed to serve it effectively. In addition, developers will be required to contribute to the construction of the transportation network as their projects come on line. Today, road capacity is handed out for free until it is used up and then the “last person in” is expected to pick up the entire tab for needed improvements. The New Castle County Land Use Department has worked closely with DelDOT in developing this ordinance. As a result, the improvements needed for the TIDs will plug directly into DelDOT’s capital program and further align land use and transportation investment priorities.

Ordinance 19-005 is not the end of this process; it’s the beginning. There will, no doubt, be contentious times ahead as Transportation Improvement Districts are considered and the plans are hashed out. But the good news is that we will have had those debates upfront, and all at once, rather than continuing the project-by-project nightmare we have today.

If New Castle County wants to remain competitive in attracting talented workers and new jobs, it needs to begin putting a 21st century economy on the ground, and to do so, we must have 21st century land use policies and infrastructure in place. Ordinance 19-005 is a small, but critical, step in that direction.

Southern New Castle County Master Plan Workshop



Help us plan for the future of southern New Castle County!

The Wilmington Area Planning Council (WILMAPCO), New Castle County, and the Delaware Department of Transportation are developing the Southern New Castle County Master Plan. By participating in the planning process, you can help shape a vision for transportation and land use and determine how that vision can become reality.

You are invited to attend a public workshop!

Thursday, January 31, 2019
5:30 to 8:30 pm
Odessa Fire Hall
304 Main Street, Odessa

- 5:30-6:00 pmSign in and view project materials
- 6:00-6:30 pm Presentation
- 6:30-7:45 pm Small group discussions
- 7:45-8:30 pm Wrap up

Please register in advance at www.wilmapco.org/sncc.



February Member Reception @ Junior Achievement

Tuesday, February 19, 2019

Cocktails & Networking

5:30 p.m. - 7:30 p.m.

Join us for a special Member Reception to celebrate our new partnership with Junior Achievement. You'll learn about JA's programs that bring together companies and students for work-based learning experiences.

We'll be highlighting several volunteer opportunities and so encourage you to invite young professionals at your firm to engage them in impactful community service, and introduce them to the networking power of The Committee of 100.

SPECIAL THANKS TO OUR HOST SPONSOR



RSVP by 2:00 p.m. on Friday, February 15, 2019