

**Testimony of
Lynne Breaux, President of the
Restaurant Association Metropolitan Washington
Before the Committee of the Whole, DC City Council
On
Priorities for the use of potential funds for the District of Columbia from
recovery and reinvestment proposals currently under consideration in the
United States House of Representatives and Senate
On
Wednesday, February 11, 2009**

Good afternoon Chairman Gray and members of the Committee of the Whole. I am Lynne Breaux, President of the Restaurant Association Metropolitan Washington (RAMW). Since 1920, RAMW has been proud to be the voice of close to 700 members of the metropolitan Washington food service industry and establishments of hospitality ranging from casual eateries to internationally acclaimed fine dining restaurants.

The proper allocation of resources under The American Recovery and Reinvestment Act of 2009 is of great concern to our membership, and by extension, the dining public – which includes just about every resident of the District of Columbia. Areas of particular concern are transportation, education, the relationship between small businesses and licensing and regulatory agencies, and the availability of accurate statistics and sales tax figures from the Government of the District of Columbia.

A full service, well-maintained and efficient transportation system is vital to the lifeblood of any metropolitan area. Restaurants, in particular, depend heavily on public transportation to get employees to and from work. In addition, transportation lines and hubs attract pedestrian traffic which in turn attracts restaurants, which attracts more retail, which attracts and upgrades residential and office neighborhoods. These attractions all play on each other but the keys to neighborhood growth and sustainability are transportation and amenities, of which restaurants are the most prominent. Recent reports that Metro Rail may curtail late hours, may close some station exits, or take any number of other cost cutting initiatives is very distressing to the restaurant industry. Everything possible should be done to support, and in fact, improve the

Washington Metropolitan Area Transit system or else risk undermining the huge strides we have made in revitalizing, building and sustaining our neighborhoods. Additionally, a roll-back of Metro services threatens will heighten carbon emissions as stranded riders retreat to automobiles in the face of shrinking access to public transportation. The American Recovery and Reinvestment Act of 2009 provides an important opportunity for dedicated funding of Metro requirements. Please consider this a non-negotiable line item in any disbursement plan.

At a time when local and national unemployment rates are at unusually high levels, there should be no excuse for employers finding qualified applicants to fill quality jobs. However, although there are many applicants, finding qualified individuals is exactly the problem. In response to restaurateurs' ever-growing concerns that Washington's young people were leaving school ill-equipped to enter the labor pool, RAMW, in 2004, founded the RAMW Education Foundation (RAMW-EF). RAMW-EF partnered with DC Public Schools to design and build a state-of-the-art, restaurant-quality teaching kitchen at Roosevelt Senior High School. The presence of this facility inside a school building allows students to experience on-the-job training before even leaving school, and provides them with a head start when they arrive in the workplace. Stimulus funding should fund the replication of the impressive Roosevelt model at one or more schools citywide, as well as an expanded enrollment for culinary arts programs in general through a lifting of the restriction that currently limits such programs to in-boundary students.

Most any small business owner in the District could tell you stories of headaches, lost time and wages, and excessive fees and penalties associated with licensing, permitting and regulation enforcement in the District of Columbia. New restaurants that languish for months because of bureaucratic red tape do nothing good for their neighborhood, residents as future employees or the coffers of the District of Columbia in the form of sales tax contributions. An infusion of funds with a view to upgrading systems, greatly expanding training for inspectors and key agency personnel and developing programs to enhance the customer service culture would go a long

way to building the partnership that needs to exist between government agencies and the small business community to make doing business in the District an attractive proposition.

We need to be able to gauge the health of our industry in the District through accurate and timely reporting of statistics – now more than ever given the economic climate. Currently, the sales and use tax figures are reported by tax rates rather than industry segments. We have no way of knowing whether the increases that we are seeing year by year are attributable to any one industry within the 10% tax rate. Having restaurant meals mixed in with Verizon Center tickets and merchandise is an extreme example of comparing apples and oranges. We know restaurants are essential to the health of our city on so many levels, but we need to be able to cite the one figure that everyone understands, the dollar amount we contribute to the city coffers to illustrate the extent of our industry's importance to the life and welfare of Washington, DC.