

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Deputy Mayor for Planning and Economic Development Limited Grant-Making Authority Act of 2012 to provide grant-making authority to the Deputy Mayor to issue a grant to Check It Enterprises to enable its acquisition of a certain facility located in the Anacostia Historic District.

BE IT ENACTED BY THE COUCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Deputy Mayor for Planning and Economic Development Limited Grant Making Authority for Check It Enterprises Amendment Act of 2020”.

Sec. 2. Section 2032 of the Deputy Mayor for Planning and Economic Development Limited Grant-Making Authority Act of 2012, effective September 20, 2012 (D.C. Law 19-168; D.C. Official Code § 1-328.04), is amended by adding a new subsection (h) to read as follows:

“(h)(1)(A) Notwithstanding the Grant Administration Act of 2013, effective December 24, 2013 (D.C. Law 20-61; D.C. Official Code § 1-328.11 *et seq.*), and subject to subparagraph (B) of this paragraph and paragraph (2) of this subsection, the Deputy Mayor shall have grant-making authority to provide funds to Check It Enterprises for the acquisition of the Property to continue the current business operations of Check It Enterprises, We Act Radio, and The District Culture at the Property to serve as a community resource for the Anacostia Historic District.

“(B)(i) If the purchase price of the Property is less than the amount of the grant provided pursuant to subparagraph (A) of this paragraph, Check It Enterprises shall return the amount not needed for the purchase to the District government within 10 days of the closing on the property.

“(ii) Any monies returned to the District government pursuant to sub-subparagraph (i) of this subparagraph shall be deposited in the General Fund of the District of Columbia.

“(2) The grant of funds provided pursuant to this subsection shall be subject to the terms of a grant agreement between the Deputy Mayor and Check It Enterprises (“Grant Agreement”) that shall provide that:

“(A) Upon acquisition of the Property, Check It Enterprises shall enter into a lease agreement period of no fewer than 5 years with:

“(i) WE ACT Radio for that portion of the Property that WE ACT Radio currently occupies (“1918 MLK”), at a rate not to exceed the amount charged immediately preceding the acquisition and provide WE ACT Radio an option to extend the lease agreement for no fewer than 5 years at a gross rent rate that shall not exceed an increase of 5% over the rate charged under the immediately preceding agreement for as long as WE ACT Radio remains in business at 1918 MLK; and

“(ii) The District Culture for that portion of the Property that The District Culture currently occupies (“1922 MLK”), at a rate not to exceed the amount charged immediately preceding the acquisition and provide The District Culture an option to extend the lease agreement for no fewer than 5 years at a gross rent rate that shall not exceed an increase of 5% over the rate charged under the immediately preceding agreement for as long as The District Culture remains in business at 1922 MLK.

“(B) Check It Enterprises may enter into a contract for architectural design services, construction services, or materials needed for the development, remodel, or construction of the Property; provided that:

“(i) The contract is subject to the contracting and procurement requirements under the Small and Certified Business Enterprise Development and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*), and the employment and job creation requirements under the First Source Employment Agreement Act of 1984, effective June 29, 1984 (D.C. Law 5-93; D.C. Official Code § 2-219.01 *et seq.*); and

(ii) WE ACT Radio and The District Culture shall retain a Right to Return after the completion of any development, remodel, or construction of the Property.

“(C) If WE ACT Radio ceases to occupy 1918 MLK or The District Culture ceases to occupy 1922 MLK, Check It Enterprises shall lease to tenants that are social enterprises a square footage that is the same or greater than that occupied by WE ACT Radio or The District Culture on December 2019.

“(D)(i) If Check It Enterprises ceases to lease that portion of the Property as required in subparagraph (C) of this paragraph, uses the grant funds for an unauthorized purpose, uses the grant funds for any purpose other than the acquisition of the Property or costs and fees associated with the acquisition, or otherwise breaches the Grant Agreement, all grant funds shall be returned to the District; and

“(ii) In the event of a breach by Check It Enterprises, the Deputy Mayor shall have all applicable remedies available at law or equity.

“(E)(i) In the event that Check It Enterprises, or a subsidiary or affiliate of Check It Enterprises, seeks to sell or transfer the Property to a third party, the District government shall have the right of first refusal.

“(ii) Check It Enterprises must notify the District government in writing before it intends to sell or transfer the Property. The District government shall have 120 days from receiving the written notice to purchase the Property at a price equal to the assessed

value of the Property discounted by the sum of the grant provided pursuant to paragraph (1) of this subsection adjusted by annual inflation since the date the grant was issued.

“(F) If the District government does not exercise the right of first refusal and the Property is sold or transferred to a third party, Check It Enterprises, or a subsidiary or affiliate of Check It Enterprises shall within 30 days of the Property being sold or transferred return to the District the sum of the grant provided pursuant to paragraph (1) of this subsection adjusted by annual inflation since the date the grant was issued.

“(3) For the purpose of this subsection, the term:

“(A) “Check It Enterprises” means Check It Enterprises LLC, a District of Columbia limited liability company at 1920 Martin Luther King Jr. Avenue, S.E., Washington, D.C., 20020.

“(B) “Gross rent” means a flat rent fee that encompasses rent and all costs associated with ownership, such as taxes, insurance, and utilities.

“(C) “Property” means the real property, and any structures thereon, located at 1918, 1920, and 1922 Martin Luther King Jr. Avenue, S.E., Washington, D.C., 20020, known for assessment and tax purposes as Lots 851, 852, 853 in Square 5769.

“(D) “Right of first refusal” means that if an owner of a Property places or intends to place the Property for sale or to transfer the Property to a third party, the District government shall have the first right to purchase the Property.

“(E) “Right to Return” means WE ACT Radio or The District Culture, or both, has the right to return to a space in the Property that is the same or greater square footage that the entity occupied on December 2019 if displaced for renovation, rehabilitation, or redevelopment of the Property.

“(F) “Social enterprise” means a business whose purpose is to generate profits while simultaneously advancing a social goal, such as supporting at-risk youth and workforce development.

“(G) “The District Culture” means The District Culture, LLC, a District of Columbia limited liability company, currently occupying 1922 Martin Luther King Jr. Avenue, S.E., Washington, D.C., 20020.

“(H) “Third party” means an individual, firm, corporation, partnership, company, cooperative, association, trust, or any other organization, legal entity, or group of individuals. The term “third party” shall not include Check It Enterprises or a subsidiary or affiliate of Check It Enterprises.

“(I) “WE ACT Radio” means Newton Media Group, LLC, a District of Columbia limited liability company, currently occupying 1918 Martin Luther King Jr. Avenue, S.E., Washington, D.C., 20020.”.

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 4. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

Chairman
Council of the District of Columbia

Mayor
District of Columbia