Government of the District of Columbia



Office of Advisory Neighborhood Commissions 1350 Pennsylvania Avenue, NW Suite 11 Washington, DC 20004 (202) 727-9945

MEMORANDUM

TO: ANC 3B

FR: Denise Wiktor, General Counsel

DT: 06/10/2025

RE: Miracle in the Alley Grant Application.

The OANC has received a copy of a grant request from the 3800 W Decorating Committee. I have reviewed the application sent to the OANC and have found that the request is partially **permissible and partially impermissible** expenditure of ANC monies as outlined below. As outlined in more detail in #1 below, a grant cannot benefit a private entity. In as much as some of the materials will be owned by a private entity those portions of the grant are not permissible. This includes the lights, inflatable, tables and extension cords. That leaves the Installation, food and beverage, and some supplies as permissible or about \$1400 plus a portion of the supplies. The ANC, assuming it has the space, can also purchase some of the items directly, retain ownership and loan them to the organization. I can see where there are other community uses for the extension cords and tables where the ANC would have them available for loan.

There are five prongs a grant must meet to be a permissible expense 1 and a 6th requirement of the D.C. Official Code that limits the amount of a grant that can be spent on overhead 2. They are:

1. **Public Purpose:** ANC grants must be for "public purposes within the Commission area." A public purpose is one "that includes a significant benefit for the community and is not done for the primary purpose of benefitting a private entity." This is a community event in a public space that is open to everyone in the ANC and meets the public purpose requirement. The reviewer will admit to a bias towards big showy light

¹ See, Letter to Schanette Grant on Seasoned Settlers and Grants Generally, April 14, 2022, found at https://oag.dc.gov/sites/default/files/2022-04/Letter-to-OANC-Re-Seasoned-Settlers-Grant-and-Grants-Generally-pdf

² D.C. Official Code 1-309.13(m)(2)(D) "No Commission shall provide a grant for which the grantee estimates that the overhead costs would exceed 15% of the entire grant amount."

³ D.C. Official Code § 1-309.13(1)(1).

⁴ *Id*.

displays for the winter holidays, all of them⁵—but it is really up the ANC to determine if this is a public purpose they support based upon their budget and priorities.

- 2. **Local Benefit**: A grant must "benefit persons who work or reside in the Commission area." This does not mean the grant may only benefit Commission residents; it simply means the grant's benefits should be focused on those residents. This is an alley within the ANC and the most immediate beneficiaries are ANC residents.
- 3. **Proposed Project.** A grant must be for a proposed project. 8 This is a discrete single event.
- 4. **Organization.** A grant must be to an "organization," not an individual or a government entity, 9 although the organization need not be incorporated. 10 The 3800 W Decorating Committee is an organization within the meaning of the code. However, as I suspect they are not incorporated they will need a fiscal agent to have the check made out to. This could be a local non-profit, main street or business. Checks should not be made out to individuals. Since the Committee indicated they will not purchase the items until closer to the event, I recommend the ANC not issue the check until closer to the event so as not to have a large time gap between the check and receipts as it can cause delays in processing the QFR the check is written in.
- **5. Non-Duplication.** A grant cannot duplicate any services offered by the D.C. government. ¹¹ D.C. does not provide this service.
- **6. Overhead.** Overhead cannot exceed 15% of the grant amount. None of the grant monies will be used for overhead as the Code defines it.

Conclusion

⁵ Diwali, Hannukah, Christmas, New year, Solstice and Kwanzaa. In addition to being festive, the lights add a safety element.

⁶ D.C. Official Code § 1-309.13(m)(1).

⁷ See *Letter to Deborah K. Nichols*, Nov. 9, 2006, at 2 n.2 found at <u>Letter-to-Deborah-Nichols-Re-Whether-an-ANC-may-approve-a-grant-to-commission-plans-and-drawings-.pdf</u> (ANC 4C grant was permissible where the "[b]enefit to other ANCs would be incidental to the benefit conferred on ANC 4C residents," because a grant's benefits need not "be exclusive to the ANC that gives the grant funds"); see *Letter to Comm'r Fletcher*, Mar. 15, 2022, at 2, available at https://oag.dc.gov/sites/default/files/2022-03/ANC-7E-Letter-to-Commissioner-Fletcher-Re-Public-Purposes-Within-the-Commission-Area-.pdf making the same point with respect to the public-purpose requirement).

⁸D.C. Official Code § 1-309.13(m)(2)(A).

⁹ D.C. Official Code § 1-309.13(m)(1); see also *Letter to Deborah K. Nichols*, Jan. 14, 2010, at 4, available at https://oag.dc.gov/sites/default/files/2018-02/ANC-January-14-2010-Guidelines-for-Use-of-ANC-Funds.pdf
¹⁰ See *Letter to Deborah K. Nichols*, Aug., 4, 2000 at 3, available at

https://oag.dc.gov/sites/default/files/201802/ANC-August-4-2000-Grants-by-ANCs-Public-Purpose-and-Corporate-Status-of-Recipients.pdf ("The plain meaning of the term 'organization' includes unincorporated associations").

¹¹ D.C. Official Code § 1-309.13(m)(1).

¹² D.C. Official Code §1-309.13(m)(1)(2)(D).

For the reasons stated above this grant is partially permissible/partially impermissible expenditure of ANC funds.	