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: Dave Wethington, Chair ANC 6A

Roberta Shapiro, Treasurer ANC 6A

FR: Denise Wiktor, General Counsel

DT: 2/26/2025

RE: Atlas Performing Arts Grant check 2124

The OANC received a copy of a grant from I have reviewed the application sent to the OANC and have found that the request is a **permissible expenditure to the extent it supported the free lobby event**. The Atlas Performing Arts Center submitted a grant request for \$4500 to support a free lobby event and a paid performance. The ANC voted to give \$1500.00 which was the amount for the lobby event that was free to the public. The close-out report indicates that the ticketed event was supported by a separate grant and the attached receipt indicates the money was used for the artists for the free lobby event.

There are five prongs a grant must meet to be a permissible expense 1 and a 6^{th} 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 standard was changed with the Fiscal Year Budget Support Act and the accompanying emergency. An event that is open to the public and geared towards the local community of an ANC serves a public purpose in that it benefits a significant benefit to the ANC community.

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) provides that "[n]o 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.* This precludes payment to individuals whether it be for services or as a stipend or honorarium. It also precludes handouts to volunteers such as t-shirts and the purchase of items non-transient nature that will remain in the possession of an individual after an event such as tables and chairs or tents. Rental of such items is permissible. The ANC may purchase items that they retain and use or loan out to the community.

⁵ D.C. Official Code § 1-309.13(m)(1).

- 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 event was focused on attracting local residents. The Atlas Performing Arts Center is located within ANC 6A and the majority of the attendees would have been local residents and families walking there.
- 3. **Proposed Project.** A grant must be for a proposed project. ⁸ This means that it must be for a specific undertaking, not for general support of an organization. It also means that a grant cannot reimburse an organization for expenses connected to an existing or completed project. **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 Atlas Performing Arts Center **is** an organization as defined by the D.C. Code.
- **5. Non-Duplication.** A grant cannot duplicate any services offered by the D.C. government.¹¹ The DC Government does not offer any services like this event.
- **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

For the reasons stated above this grant is a **permissible** expenditure of ANC funds if used as outlined above.

⁶ *Id*.

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-RePublic-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).