## 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 5F

FR: Denise Wiktor, General Counsel

DT: 3/13/2025

RE: Friends of the Metropolitan Branch Trail

The OANC received a copy of a grant request from Vermont Ave Gardens for their spring planting. 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. At first glance the OANC though the grant would be mostly impermissible because it included purchases of outdoor furniture and durable equipment. After thought and discussion within the OANC it was decided that the furniture being purchased was likely to last only one season. While recognizing that as a bit odd on its face, the reasoning is that grants are not to be awarded that benefit a private entity. Should the outdoor furniture been more durable it would have amounted to enrichment of a private non-profit which would own the equipment. It is the same logic used to allow the rental of tents, tables and chairs but not the purchase of them for an event. The permissible amount of the grant is \$1275.00. While the applicant has said they do not have a permit, it is unclear if DDOT will remove the equipment or has, in the past, removed the equipment. This is an issue the ANC may want to visit. The LifeStraw, bag dispenser, metal bowl, locks, storage can and cooler were removed from the cost.

There are five prongs a grant must meet to be a permissible expense 1 and a 6<sup>th</sup> 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 2025 Budget Support Act and the accompanying

<sup>&</sup>lt;sup>1</sup> See, Letter to Schanette Grant on Seasoned Settlers and Grants Generally, April 14, 2022, found at <a href="https://oag.dc.gov/sites/default/files/2022-04/Letter-to-OANC-Re-Seasoned-Settlers-Grant-and-Grants-Generally-pdf">https://oag.dc.gov/sites/default/files/2022-04/Letter-to-OANC-Re-Seasoned-Settlers-Grant-and-Grants-Generally-pdf</a>

<sup>&</sup>lt;u>.pdf</u>  $^2$  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."

<sup>&</sup>lt;sup>3</sup> D.C. Official Code § 1-309.13(1)(1).

<sup>&</sup>lt;sup>4</sup> *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.

emergency. The set up of such water stations will provide a public benefit within the confines of the ANC code.

- 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 portion of the Metropolitan Branch Trail runs through ANC 5F. It will likely benefit local residents. I will leave it up to ANC 5F to determine if it will provide substantial benefit to their residents. It appears it would but they are in the best position to determine residents or commuters will have a substantial benefit.
- 3. **Proposed Project.** A grant must be for a proposed project. 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, 8 although the organization need not be incorporated. 9 Friends of the Metropolitan Branch Trais 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.<sup>10</sup>
- **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 **partially permissible** expenditure of ANC funds if used as outlined above.

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"). 

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

<sup>&</sup>lt;sup>5</sup> D.C. Official Code § 1-309.13(m)(1

<sup>&</sup>lt;sup>6</sup> 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 <a href="https://oag.dc.gov/sites/default/files/2022-03/ANC-7E-Letter-to-Commissioner-Fletcher-RePublic-Purposes-Within-the-Commission-Area-.pdf">https://oag.dc.gov/sites/default/files/2022-03/ANC-7E-Letter-to-Commissioner-Fletcher-RePublic-Purposes-Within-the-Commission-Area-.pdf</a> making the same point with respect to the public-purpose requirement).

<sup>&</sup>lt;sup>7</sup>D.C. Official Code § 1-309.13(m)(2)(A).

<sup>&</sup>lt;sup>8</sup> D.C. Official Code § 1-309.13(m)(1); see also *Letter to Deborah K. Nichols*, Jan. 14, 2010, at 4, available at <a href="https://oag.dc.gov/sites/default/files/2018-02/ANC-January-14-2010-Guidelines-for-Use-of-ANC-Funds.pdf">https://oag.dc.gov/sites/default/files/2018-02/ANC-January-14-2010-Guidelines-for-Use-of-ANC-Funds.pdf</a>

<sup>&</sup>lt;sup>9</sup> See Letter to Deborah K. Nichols, Aug., 4, 2000 at 3, available at

<sup>&</sup>lt;sup>11</sup> D.C. Official Code §1-309.13(m)(1)(2)(D).