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: Dawn Dickerson

FR: Denise Wiktor, General Counsel

DT: 9/19/2024

RE: Petworth Blooms Grant Application

You asked me to look at the Petworth Blooms grant application from 2023. You saw it as part of your QFR review and the OANC had not previously reviewed. I have reviewed the application, budget and grant close out sent to the OANC and have found that the request is a **permissible** expenditure of ANC monies as outlined below. The appears to be at least the third year the ANC has supported this project, and they may want to consider including a line item in their annual budget for this purpose.

There are five prongs a grant must meet to be a permissible expense and a 6th requirement of the D.C. Official Code that limits the amount of a grant that can be spent on overhead. 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. Planting flowers in public areas serves a public purpose in that it provides a significant benefit.
- 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

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.* 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).

means the grant's benefits should be focused on those residents.⁶ The flowers were planted within ANC 4D.

- 3. **Proposed Project.** A grant must be for a proposed 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 Petworth Blooms meets the definition of Organization under the D.C. Code
- **5. Non-Duplication.** A grant cannot duplicate any services offered by the D.C. government. ¹⁰ The D.C. government does not plant flowers in the District's pocket.
- **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.

⁶ 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).

⁷D.C. Official Code § 1-309.13(m)(2)(A).

⁸ 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
⁹ 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").

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

¹¹ D.C. Official Code §1-309.13(m)(1)(2)(D).