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A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency, due to congressional review, with respect to the need to approve the lease of District-owned real property located at 4095 Minnesota Avenue, N.E. in Washington, D.C., known for tax and assessment purposes as Lot 0813 in Square 5078, and commonly known as the Woodson School.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “4095 Minnesota Avenue, N.E. Woodson School Lease Congressional Review Emergency Declaration Resolution of 2015”.

Sec. 2. (a) On May 26, 2000, Friendship Public Charter School, Inc. (“Friendship PCS”) entered a lease agreement with the District to lease the property located at 4095 Minnesota Avenue N.E. (Lot 0813, Square 5078) for a period of twenty years. In 2009, the lease was amended to extend it for an additional ten years, giving the lease a total duration of thirty years. Friendship PCS seeks to amend the lease again to extend it for another ten years, for a total of forty years. The amended lease would also include an option for a twenty-five year renewal.

(b) On April 14, 2015, the Council of the District of Columbia approved Resolution

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36 21-77, the “Friendship Public Charter School, Inc. Revenue Bonds Project Approval
37 Resolution of 2015.” Resolution 21-77 authorized and provided for the issuance, sale, and
38 delivery of District revenue bonds to Friendship PCS not to exceed \$70 million. Having
39 received this bond financing, Friendship PCS now requests an extension of its 4095
40 Minnesota Avenue, N.E. lease.

41 (c) Additionally, on February 19, 2015, the District of Columbia Public Charter
42 School Board (“PCSB”) voted to revoke the charter of Community Academy Public
43 Charter School (“CAPCS”) at the end of the 2014-2015 school year, with the revocation
44 effective as of July 1, 2015. In order to ensure that the students currently enrolled at
45 CAPCS schools are not displaced, PCSB and the Deputy Mayor for Education worked to
46 identify other entities that would be willing and able to assume control over the various
47 CAPCS campuses. Friendship PCS agreed to take over the CAPCS campus located at
48 1351 Nicholson Street, N.W., as well as CAPCS’s Armstrong property, and is stepping in
49 as an assignee of the lease CAPCS had with the District for the Nicholson Street property.

50 (d) In assuming the lease for the Nicholson property from CAPCS, Friendship PCS
51 has agreed to shoulder responsibility for a \$22 million bond that CAPCS originally had for
52 the online campus located at the Nicholson Street campus. This bond was set to default on
53 June 30, 2015 due to CAPCS’s charter being revoked and its inability to pay for the bond.
54 In accepting responsibility for this \$22 million bond, Friendship PCS combined the \$22
55 million bond with its current bond assets, most of which Friendship PCS acquired through
56 Resolution 21-77, and closed on these consolidated bonds in September 2015.

57 (f) A condition of its ability to close is the approval by the Council of the District
58 of Columbia of the extension of Friendship PCS’s lease for the property at 4095 Minnesota

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59 Ave. N.E.. Thus, on July 14, 2015, the Council passed D.C. Act 21-152, the “4095
60 Minnesota Avenue, N.E. Woodson School Lease Emergency Amendment Act of 2015,”
61 as Friendship PCS was scheduled to close on their bond consolidation in late August/early
62 September 2015 and permanent legislation would not have been codified by that deadline.

63 (g) D.C. Act 21-152 will expire on November 9, 2015. While the Council approved
64 a permanent version of this legislation, Bill 21-204, the “4095 Minnesota Avenue, N.E.
65 Woodson School Lease Amendment Act of 2015,” on July 14, 2015 (1st reading) and
66 September 22, 2015 (2nd reading), the 30-day congressional review for that legislation has
67 yet to expire. Thus, emergency circumstances exist to approve “4095 Minnesota Avenue,
68 N.E. Woodson School Lease Congressional Review Emergency Amendment Act of 2015”
69 in order to prevent a gap in the law.

70 Sec. 3. The Council of the District of Columbia determines that the
71 circumstances enumerated in section 2 constitute emergency circumstances making it
72 necessary that the “4095 Minnesota Avenue, N.E. Woodson School Lease Emergency
73 Amendment Act of 2015” be adopted after a single reading.

74 Sec. 4. This resolution shall take effect immediately.