

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on an emergency basis, the Deputy Mayor for Planning and Economic Development Limited Grant-Making Authority Act of 2012 to provide grant-making authority to the Deputy Mayor to issue a grant to Check It Enterprises to enable its acquisition of a certain facility located in the Anacostia Historic District.

BE IT ENACTED BY THE COUCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Deputy Mayor for Planning and Economic Development Limited Grant Making Authority for Check It Enterprises Emergency Amendment Act of 2020”.

Sec. 2. Section 2032 of the Deputy Mayor for Planning and Economic Development Limited Grant-Making Authority Act of 2012, effective September 20, 2012 (D.C. Law 19-168; D.C. Official Code § 1-328.04), is amended by adding a new subsection (h) to read as follows:

“(h)(1)(A) Notwithstanding the Grant Administration Act of 2013, effective December 24, 2013 (D.C. Law 20-61; D.C. Official Code § 1-328.11 *et seq.*), and subject to subparagraph (B) of this paragraph and paragraph (2) of this subsection, the Deputy Mayor shall have grant-making authority to provide funds to Check It Enterprises for the acquisition of the Property to continue the current business operations of Check It Enterprises, We Act Radio, and The District Culture at the Property to serve as a community resource for the Anacostia Historic District.

34 “(B)(i) If the purchase price of the Property is less than the amount of the
35 grant provided pursuant to subparagraph (A) of this paragraph, Check It Enterprises shall return
36 the amount not needed for the purchase to the District government within 10 days of the closing
37 on the property.

38 “(ii) Any monies returned to the District government pursuant to
39 sub-subparagraph (i) of this subparagraph shall be deposited in the General Fund of the District
40 of Columbia.

41 “(2) The grant of funds provided pursuant to this subsection shall be subject to the
42 terms of a grant agreement between the Deputy Mayor and Check It Enterprises (“Grant
43 Agreement”) that shall provide that:

44 “(A) Upon acquisition of the Property, Check It Enterprises shall enter
45 into a lease agreement period of no fewer than 5 years with:

46 “(i) WE ACT Radio for that portion of the Property that WE ACT
47 Radio currently occupies (“1918 MLK”), at a rate not to exceed the amount charged immediately
48 preceding the acquisition and provide WE ACT Radio an option to extend the lease agreement
49 for no fewer than 5 years at a gross rent rate that shall not exceed an increase of 5% over the rate
50 charged under the immediately preceding agreement for as long as WE ACT Radio remains in
51 business at 1918 MLK; and

52 “(ii) The District Culture for that portion of the Property that The
53 District Culture currently occupies (“1922 MLK”), at a rate not to exceed the amount charged
54 immediately preceding the acquisition and provide The District Culture an option to extend the
55 lease agreement for no fewer than 5 years at a gross rent rate that shall not exceed an increase of

56 5% over the rate charged under the immediately preceding agreement for as long as The District
57 Culture remains in business at 1922 MLK.

58 “(B) Check It Enterprises may enter into a contract for architectural design
59 services, construction services, or materials needed for the development, remodel, or
60 construction of the Property; provided that:

61 “(i) The contract is subject to the contracting and procurement
62 requirements under the Small and Certified Business Enterprise Development and Assistance
63 Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et*
64 *seq.*), and the employment and job creation requirements under the First Source Employment
65 Agreement Act of 1984, effective June 29, 1984 (D.C. Law 5-93; D.C. Official Code § 2-219.01
66 *et seq.*); and

67 (ii) WE ACT Radio and The District Culture shall retain a Right to
68 Return after the completion of any development, remodel, or construction of the Property.

69 “(C) If WE ACT Radio ceases to occupy 1918 MLK or The District
70 Culture ceases to occupy 1922 MLK, Check It Enterprises shall lease to tenants that are social
71 enterprises a square footage that is the same or greater than that occupied by WE ACT Radio or
72 The District Culture on December 2019.

73 “(D)(i) If Check It Enterprises ceases to lease that portion of the Property
74 as required in subparagraph (C) of this paragraph, uses the grant funds for an unauthorized
75 purpose, uses the grant funds for any purpose other than the acquisition of the Property or costs
76 and fees associated with the acquisition, or otherwise breaches the Grant Agreement, all grant
77 funds shall be returned to the District; and

78 “(ii) In the event of a breach by Check It Enterprises, the Deputy
79 Mayor shall have all applicable remedies available at law or equity.

80 “(E)(i) In the event that Check It Enterprises, or a subsidiary or affiliate of
81 Check It Enterprises, seeks to sell or transfer the Property to a third party, the District
82 government shall have the right of first refusal.

83 “(ii) Check It Enterprises must notify the District government in
84 writing before it intends to sell or transfer the Property. The District government shall have 120
85 days from receiving the written notice to purchase the Property at a price equal to the assessed
86 value of the Property discounted by the sum of the grant provided pursuant to paragraph (1) of
87 this subsection adjusted by annual inflation since the date the grant was issued.

88 “(F) If the District government does not exercise the right of first refusal
89 and the Property is sold or transferred to a third party, Check It Enterprises, or a subsidiary or
90 affiliate of Check It Enterprises shall within 30 days of the Property being sold or transferred
91 return to the District the sum of the grant provided pursuant to paragraph (1) of this subsection
92 adjusted by annual inflation since the date the grant was issued.

93 “(3) For the purpose of this subsection, the term:

94 “(A) “Check It Enterprises” means Check It Enterprises LLC, a District of
95 Columbia limited liability company at 1920 Martin Luther King Jr. Avenue, S.E., Washington,
96 D.C., 20020.

97 “(B) “Gross rent” means a flat rent fee that encompasses rent and all costs
98 associated with ownership, such as taxes, insurance, and utilities.

99 “(C) “Property” means the real property, and any structures thereon,
100 located at 1918, 1920, and 1922 Martin Luther King Jr. Avenue, S.E., Washington, D.C., 20020,
101 known for assessment and tax purposes as Lots 851, 852, 853 in Square 5769.

102 “(D) “Right of first refusal” means that if an owner of a Property places or
103 intends to place the Property for sale or to transfer the Property to a third party, the District
104 government shall have the first right to purchase the Property.

105 “(E) “Right to Return” means WE ACT Radio or The District Culture, or
106 both, has the right to return to a space in the Property that is the same or greater square footage
107 that the entity occupied on December 2019 if displaced for renovation, rehabilitation, or
108 redevelopment of the Property.

109 “(F) “Social enterprise” means a business whose purpose is to generate
110 profits while simultaneously advancing a social goal, such as supporting at-risk youth and
111 workforce development.

112 “(G) “The District Culture” means The District Culture, LLC, a District of
113 Columbia limited liability company, currently occupying 1922 Martin Luther King Jr. Avenue,
114 S.E., Washington, D.C., 20020.

115 “(H) “Third party” means an individual, firm, corporation, partnership,
116 company, cooperative, association, trust, or any other organization, legal entity, or group of
117 individuals. The term “third party” shall not include Check It Enterprises or a subsidiary or
118 affiliate of Check It Enterprises.

119 “(I) “WE ACT Radio” means Newton Media Group, LLC, a District of
120 Columbia limited liability company, currently occupying 1918 Martin Luther King Jr. Avenue,
121 S.E., Washington, D.C., 20020.”.

122 Sec. 3. Fiscal impact statement.

123 The Council adopts the fiscal impact statement for the Deputy Mayor for Planning and
124 Economic Development Limited Grant Making Authority for Check It Enterprises Amendment Act of
125 2020, passed on first reading on February 4, 2020 (Engrossed version of Bill 23-404), as the fiscal
126 impact statement required by section 4a of the General Legislative Procedures Act of 1975,
127 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

128 Sec. 4. Effective date.

129 This act shall take effect following approval by the Mayor (or in the event of veto by the
130 Mayor, action by the Council to override the veto), and shall remain in effect for no longer than
131 90 days, as provided for emergency acts of the Council of the District of Columbia in section
132 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788;
133 D.C. Official Code § 1-204.12(a)).