DRAFT

ANC 3C Resolution 2023-0XX

Highlighting Administrative Challenges in Issuing ANC Grants and Requesting Procedural Improvements to Facilitate Commission Grantmaking

WHEREAS Advisory Neighborhood Commissions are statutorily authorized to "expend, for public purposes within [their] neighborhood commission area[s], public funds and other funds donated to [them]." DC Code §1-207.38(c)(2). The District government allots funds to Advisory Neighborhood Commissions in part to "conduct programs for the welfare of the people in ... neighborhood commission area[s]." DC Code §1-207.38(e);

WHEREAS grantmaking authority of Advisory Neighborhood Commissions is detailed in the Advisory Neighborhood Commissions Act of 1975. That law provides that Commissions can award grants to "organizations that are public in nature and benefit persons who reside or work within the Commission area." DC Code §1-309.13(m)(1). "The services provided by the grantee organization must not be duplicative of any that are already performed by the District government.";

WHEREAS the Office of the Attorney General for the District of Columbia issues legal guidance to Advisory Neighborhood Commissions via <u>publicly available advice letters</u>, some of which address issues related to Commission grantmaking. This advice is not searchable across individual advice letters or particularly accessible since an individual seeking guidance from these letters must open individual PDFs to do so. These letters are the primary source of publicly available guidance provided to Advisory Neighborhood Commissions regarding grants;

WHEREAS the Office of the Attorney General for the District of Columbia provided <u>guidance</u> to the Office of Advisory Neighborhood Commissions on Advisory Neighborhood Commission grants on April 14, 2022. The Office of Advisory Neighborhood Commissions regularly refers to this guidance when providing advice to Commissions, including as noted below. That guidance details five specific requirements for Commission grants:

- 1. Public Purpose: The proposed grant must be for "public purposes within the Commission area." DC Code §1-309.13(I)(1). "A public purpose shall be a purpose that benefits the community as a whole and is not done for the primary purpose of benefiting a private entity." Id. The public must be the grant's "primary beneficiary."
- 2. Local Benefit: The proposed grant must "benefit persons who reside or work within the Commission area" and <u>must be focused on those residents</u>. <u>DC Code §1-309.13(m)(1)</u>.
- 3. Proposed Project: The proposed grant must be for a "proposed project." <u>DC Code §1-309.13(m)(2)(a)</u>. The word "project" means a grant must be for a <u>specific undertaking</u>, not for general support of an organization, and the word "proposed" means that a grant cannot reimburse an organization for expenses connected to an existing or completed project.
- 4. Organization: The grant must be to "organizations that are public in nature," not an individual or a government entity. DC Code §1-309.13(m)(1). The organization need not be incorporated.

5. Non-Duplication: The proposed grant must not be "duplicative of any [services] that are already performed by the District government." DC Code \\$1-309.13(m)(1). The proposed grant cannot fund services that the District government already provides.

WHEREAS historically, the Office of Advisory Neighborhood Commissions sporadically issued an Advisory Neighborhood Commissioner Handbook, which includes some general guidance on Commission grants. Other guidance from the Office has occurred via informal and private email communications and memorandums, preventing broader cross-commission understanding of the Office's approach to and guidance regarding Commission grantmaking;

WHEREAS over the years, Commissions have highlighted the lack of grant guidelines from the Office of Advisory Neighborhood Commissions. See, e.g., Advisory Neighborhood Commission 3/4G, Testimony Before the Committee on Facilities and Procurement Performance Oversight Hearing on the Office of Advisory Neighborhood Commissions (Jan. 30, 2020) ("Regrettably, we still have no guidance, leaving ANCs in the dark about which grants are permissible and which are not. Again, we request that the OANC provide formal written guidelines defining 'public benefit' for purposes of awarding grants and explain why it let another year lapse without this essential advice."); Mark Lieberman, "D.C.'s Most Hyperlocal Elected Officials Want More Support for Their Neighborhoods," DCist (Sept. 26, 2019) ("[S]ome commissioners said that those [Commission] allotments from the city don't always arrive on schedule, and that some commissions are burdened by previous debts or other administrative hurdles in spending their funds on grants to community organizations.");

WHEREAS recently, on October 20, 2023, the Office of Advisory Neighborhood Commissions issued "Guidance on ANC Grants and Sponsorships". In its email transmitting this Guidance, the Office noted: "While there is nothing new in the guidance, this is the first time we have brought relevant information together in a document that Commissioners can both refer to and share with organizations & community members interested in applying for an ANC grant". The Office also included an updated "ANC Grant Application Form and Instructions". While helpful, this Guidance is modest and not particularly illustrative for Commissions, focusing largely on a handful of bullet points regarding examples of grants that Commissions cannot approve:

WHEREAS while the Commission appreciates the recent "Guidance on ANC Grants and Sponsorships" and "ANC Grant Application Form and Instructions," issued in late October 2023, the Commission has faced challenges in administering grants over the years and this recent Guidance does not adequately respond to those challenges;

WHEREAS ANC 3C approved a Resolution to Support the "Undesign the Redline" Project by Providing a Grant for \$5,000 to St. Columba's Episcopal Church at a properly noticed public meeting on July 17, 2023 after having reviewed the grant application and hearing a presentation from the applicant team.

WHEREAS the "Undesign the Redline" project is a traveling exhibit to serve as a catalyst for dialogue and education regarding how Ward 3 came to look the way it does today in terms of race, income, and opportunity. The exhibit will explain the history of federal, state, and local

policies that had the effect of segregating housing and other economic activities in the 20th century, and which legacy continues today;

WHEREAS the "Undesign the Redline" project exhibit and associated programming is customized and shaped by local stories. Gathering those stories and bringing them to the light is a part of the project and can be a transformative community undertaking. The project and exhibit can engage with school curriculum and field trips, book groups and facilitated conversations, and docent-led tours. The project is expected to be undertaken in 2023 and the exhibit would be installed for public viewing and programming in early 2024;

WHEREAS the "Undesign the Redline" interfaith planning team is currently reaching out to schools, businesses, advocacy organizations, and Ward 3 ANCs to solicit financial support and other in-kind support. The planning team will create a Community Advisory Group to lead the execution of the exhibit and related programming. The project is meant to provide opportunities for: Supporting community-led research into stories of our neighborhood's development, led by experts in history and story-telling; Building on existing activism at ANC 3C schools to engage more youth on wrestling with history and racial equity; Informing residents' understanding of how ANC 3C and other upper northwest Washington DC neighborhoods evolved toward racial and economic exclusivity; Enabling community dialogue in safe local spaces around difficult issues of race and inequity; Motivating residents to act, and providing specific ideas for "What now?"; Retaining the results of this research in our community for display after the exhibit has formally closed;

WHEREAS the history of racial exclusion in Northwest DC neighborhoods has been documented in several places and remains a legacy of profound concern to our community. This history is relevant to current plans and developments in upper northwest Washington DC;

WHEREAS ANC 3C transmitted the signed resolution and grant application to the Office of Advisory Neighborhood Commissions on July 19, 2023;

WHEREAS the applicant team, the Chairs and Treasurers of ANC 3C, ANC 3E, and ANC 3F received an email from Kent Boese (Director, Office of Advisory Neighborhood Commissions) on September 9, 2023 effectively disallowing the grant using the following justification - "Based on the five-prong test above, where the majority of the budget falls short is with items (1) and (2). In reading those two sections together, funding from an ANC for any activity or item needs to primarily benefit the residents of that Commission area. This does not mean that others cannot also benefit from the grant, but their benefit cannot be equal or greater than the benefit to the ANC's own constituency. In our opinion, the primary statutory beneficiaries of this grant is the Undesign the Redline exhibit. It stands on its own as a nationally based, ongoing presentation and essentially lacks the legal nexus to a "local benefit" for the discrete persons who reside and work in each of the Ward 3 ANCs. Specifically, grants for such worthy projects as this are often funded under the umbrella of one of the many District government funded programs currently in place. As such, the funding of this project may constitute a prohibitive duplication of services."

WHEREAS there are currently three bills under consideration in the Council of the District of Columbia directly related to the topic the "Undesign the Redline" project would address (Bill

25-480, Addressing Legacies of Housing Segregation in Chevy Chase Amendment Act of 2023; Bill 25-481, Addressing Legacies of Housing Segregation in Rock Creek West Amendment Act of 2023; Bill 25-482, Releasing Restrictive Covenants in Deeds Act of 2023)

WHEREAS the Office of the District of Columbia Auditor published the <u>Audit of Advisory</u> <u>Neighborhood Commission 5E</u> on December 15, 2023. Within this report regarding ANC grants and expenditures the following is stated "The D.C. Code states that an ANC can spend its funds "for public purposes within the Commission area" and that a "public purpose shall be a purpose that benefits the community as a whole and is not done for the primary purpose of benefiting private entity." The law also states that "expenditures <u>may</u> be in the form of grants" (emphasis added). The D.C. Code does not require specific procedures for expenditures for community activities, though it does for grants.";

THEREFORE, BE IT RESOLVED THAT ANC 3C calls on the Office of Advisory Neighborhood Commissions to implement its stated practice of "review[ing] grants prior to their presentation in a public [Commission] meeting" and timely and accurately communicate with Commissions in their grantmaking. This might include providing a schedule and timeline for review by the Office of Advisory Neighborhood Commissions so that Commissions can do their part in ensuring grant applications are reviewed by the Office of Advisory Neighborhood Commissions prior to a Commission vote.

BE IT FURTHER RESOLVED THAT the Office of Advisory Neighborhood Commissions should revise the ANC handbook to define all expenditure categories, including grants and including when to use each category in the quarterly reporting, and detail what documentation is required for each expenditure category.

BE IT FURTHER RESOLVED THAT ANC 3C strongly calls on the Office of Advisory Neighborhood Commissions to create a compendium of all of the Office's actions allowing or disallowing Commission grants, including providing the relevant Commission, the applicant, the grant application subject, and the Office's disposition and rationale for that disposition to assist Commission grantmaking. If there are concerns about confidentiality or privacy, there are ways to anonymize such a compendium while still providing immense value to Commissions.

BE IT FURTHER RESOLVED THAT ANC 3C calls on the Office of Advisory Neighborhood Commissions, in coordination with the District Office of the Attorney General, to develop a review process for when an Advisory Neighborhood Commission disagrees in good faith with a determination by the Office of Advisory Neighborhood Commissions to disallow a grant. The Commission seeks guidance as to where the Commission holds a reasonable, genuine belief that the Office has issued incorrect guidance, as well as information regarding how this disagreement might impact grant applicants for that specific grant and possible future grant applications.

BE IT FURTHER RESOLVED THAT ANC 3C calls on the Office of the Attorney General for the District of Columbia to develop a searchable collection of its advice to Advisory Neighborhood Commissions.

BE IT FURTHER RESOLVED THAT ANC 3C calls on the DC Council, in coordination with Advisory Neighborhood Commissions, the Office of Advisory Neighborhood Commissions, and the Office of the Attorney General for the District of Columbia, to consider legislative revisions to facilitate Commission grantmaking, including clarification regarding what constitutes a public benefit (recognizing that it is impossible, in practice, to have a project that serves no more and no less than the Commission area); and other challenges faced by Commissions.

BE IT FURTHER RESOLVED THAT ANC 3C requests permission from OANC to approve the funding of \$5,000 to St. Columba's Episcopal Church in support of the "Undesign the Redline" Project as a grant or an expense as proposed bills under consideration in the Council of the District of Columbia are directly related to the topic the "Undesign the Redline" project would address (Bill 25-480, Addressing Legacies of Housing Segregation in Chevy Chase Amendment Act of 2023; Bill 25-481, Addressing Legacies of Housing Segregation in Rock Creek West Amendment Act of 2023; Bill 25-482, Releasing Restrictive Covenants in Deeds Act of 2023) and therefore the project meets the requirements in DC Code ("The D.C. Code states that an ANC can spend its funds "for public purposes within the Commission area" and that a "public purpose shall be a purpose that benefits the community as a whole and is not done for the primary purpose of benefiting private entity.").

BE IT RESOLVED that the ANC 3C authorizes the Chair to represent the Commission on this matter.