

**Council of the District of Columbia
COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT
MEMORANDUM**

1350 Pennsylvania Avenue, NW, Washington, DC 20004

TO: Chairman Phil Mendelson
FROM: Councilmember Kenyan R. McDuffie
RE: Request to Agendize Measures for the November 10, 2020 Regular Legislative Meeting
DATE: November 5, 2020

Pursuant to Council Rule 339, or a waiver of Rule 231(c), I request that the following measures be agendized for the November 10, 2020 Legislative Meeting; I also request that these measures be agendized for an Additional Meeting of the Committee of the Whole, should one be scheduled. These measures were marked up by the Committee on Business and Economic Development on October 30, 2020, and have been filed with the Secretary's Office:

Measures from the Committee:

- B23-0432 – The “Protecting Local Area Commercial Enterprises Omnibus Amendment Act Of 2020” (The “Place Act”);

As introduced Bill 23-432 provides funding for the Legacy Business Program via a portion of the DC Supply Schedule. It establishes the legacy business assistance program to provide a commercial lease renewal process and financial assistance to landlords and eligible legacy business. A legacy business is one that has been continuously eligible for certification as a local business enterprise for 15 consecutive years or as a small business enterprise for 10 consecutive years and contributed to the history or identity of the District or its neighborhoods.

- B23-0445 – The “Appraisal Management Company Regulation Act Of 2020”;

As introduced Bill 23-445 requires the Department of Insurance, Securities, and Banking to provide for the licensing and registration of certain entities providing appraisal management services in the District of Columbia. Appraisal management services includes recruiting, selecting, and retaining appraisers and managing the process of having an appraisal performed.

- B23-0577 – The “Children’s Hospital Research And Innovation Campus Equitable Tax Relief Act Of 2020”;

As introduced Bill 23-577 provides a real property tax exemption to the properties designated as Square 2950, Lots 824 and 826 as well as recordation and transfer tax exemptions for documents recorded with respect to such properties.

- B23-0860 – The “Power Line Underground Program Certified Joint Venture Majority Interest Amendment Act Of 2020”;

This legislation will amend the Electric Company Infrastructure Improvement Financing Act of 2014 by restricting qualifying certified joint ventures to just those in which a certified businessenterprise (CBE) holds a majority interest.

This proposed majority interest amendment addresses this issue by maximizing opportunities for qualified District CBEs to perform work on the DDOT Underground Electric Company Infrastructure Improvement Charge and the Underground Project Charge. Moreover, this amendment aligns with the findingof the Council outlined in D.C. Official Code §34-1311.02(7) which articulates that the executive branch and Pepco should make “every practical effort” to award 100 percentofthese DDOT construction contracts to District CBEs.

- PR23-0754 – The “Dc Scholars Public Charter School, Inc. Revenue Bonds Project Approval Resolution Of 2020”;

Proposed Resolution 23-0754, the “DC Scholars Public Charter School, Inc. Revenue Bonds Project Approval Resolution of 2020” (“Proposed Resolution”), was introduced by Chairman Mendelson, at the request of the Mayor, on March 6, 2020. The Proposed Resolution was referred to the Committee on March 17, 2020. A substantially similar measure was included in Bill 23-0733, the “COVID-19 Response Supplemental Emergency Amendment Act of 2020”, approved by the Council on April 7, 2020.¹

The Proposed Resolution would authorize and provide for the issuance, sale, and delivery of District of Columbia revenue bonds, in one or more series, in an aggregate principal amount not to exceed \$16 million. Bond proceeds will be used to assist DC Scholars Public Charter School, Inc. (“DC Scholars”), with the financing, refinancing, or reimbursing of costs associated with the acquisition of a leasehold interest in the existing school facility, located at 5601 East Capitol St, SE.

- PR23-0775 – The “National Public Radio, Inc. Refunding Revenue Bonds Project Approval Resolution Of 2020”;

Proposed Resolution 23-0775, the “National Public Radio, Inc., Refunding Revenue Bonds Project Approval Resolution of 2020” (“Proposed Resolution”), was introduced by Chairman Mendelson, at the request of the Mayor, on March 20, 2020. The Proposed Resolution was referred to the Committee on April 7, 2020. A substantially similar measure was included in Bill 23-0733, the “COVID-19 Response Supplemental Emergency Amendment Act of 2020”, approved by the Council on April 7, 2020.¹

The Proposed Resolution would authorize and provide for the issuance, sale, and delivery of District of Columbia bonds, in one or more series, in an aggregate principal amount not to exceed \$210 million. The Proposed Resolution would also provide for the loan of the proceeds of such bonds to assist National Public Radio, Inc., in the financing, refinancing, or reimbursing of costs associated with an authorized project (the “Project”) pursuant to section 490 of the District of Columbia Home Rule Act. The Project will include the acquisition, development, furnishing, and equipping of a new office, production, and distribution center, located at 1111 North Capitol St., NW.

- PR23-0776 – The “Washington Housing Conservancy/Whc Park Pleasant Llc Revenue Bonds Project Approval Resolution Of 2020”;

Proposed Resolution 23-0776, the “Washington Housing Conservancy/WHC Park Pleasant LLC Revenue Bonds Project Approval Resolution of 2020” (“Proposed Resolution”), was introduced on March 25, 2020, by Chairman Mendelson, as the request of the Mayor, and referred to the Committee on April 7, 2020. A substantially similar measure was included in Bill 23-0733, the “COVID-19 Response Supplemental Emergency Amendment Act of 2020”, approved by the Council on April 7, 2020.¹

The Proposed Resolution would authorize and provide for the issuance, sale, and delivery of District of Columbia revenue bonds, in one or more series, in an aggregate principal amount not to exceed \$28 million. It would also provide for the loan of the proceeds of such bonds to assist Washington Housing Conservancy/WHC Park Pleasant LLC in the financing, refinancing, or reimbursing of costs associated with an authorized project (the “Project”) pursuant to section 490 of the District of Columbia Home Rule Act. The Project consists of the acquisition and development of real property located in NW DC and commonly known as the Park Pleasant Apartments. The Project will develop 126 units of residential housing, approximately 25 of which will be priced at 50% AMI.

- PR23-0778 – The “Public Welfare Foundation, Inc. Revenue Bonds Project Approval Resolution Of 2020”;

Proposed Resolution 23-0778, the “Public Welfare Foundation, Inc., Revenue Bonds Project Approval Resolution of 2020” (“Proposed Resolution”), was introduced by Chairman Mendelson, at the request of the Mayor, on March 23, 2020. The Proposed Resolution was referred to the Committee on April 7, 2020. A substantially similar measure was included in Bill 23-0733, the “COVID-19 Response Supplemental Emergency Amendment Act of 2020”, approved by the Council on April 7, 2020.¹

The Proposed Resolution would authorize and provide for the issuance, sale, and delivery of District of Columbia revenue bonds, in one or more series, in an aggregate principal amount not to exceed \$13 million. The Proposed Resolution would also provide for the loan of the proceeds of such bonds to assist Public Welfare Foundation, Inc., in the financing, refinancing, or reimbursing of costs associated with an authorized project (the “Project”) pursuant to section 490 of the District of Columbia Home Rule Act. The Project will include renovation of facilities located at 1200 U St., NW, and may include or more phased and be comprised of various renovations.

- PR23-0779 – The “Studio Theater, Inc. Revenue Bonds Project Approval Resolution Of 2020”; And

Proposed Resolution 23-0779, the “The Studio Theatre, Inc. Revenue Bonds Project Approval Resolution of 2020” (“Proposed Resolution”), was introduced by Chairman Mendelson, at the request of the Mayor, on March 23, 2020. The Proposed Resolution was referred to the Committee on April 7, 2020. A substantially similar measure was included in Bill 23-0733, the “COVID-19

Response Supplemental Emergency Amendment Act of 2020”, approved by the Council on April 7, 2020.1.

The Proposed Resolution would authorize and provide for the issuance, sale, and delivery of District of Columbia revenue bonds, in one or more series, in an aggregate principal amount not to exceed \$12.5 million. The Proposed Resolution would also provide for the loan of the proceeds of such bonds to assist The Studio Theatre, Inc., in the financing, refinancing, or reimbursing of costs associated with an authorized project (the “Project”) pursuant to section 490 of the District of Columbia Home Rule Act. The Project will involve the renovation and expansion of Studio Theater, Inc.’s mixed-use theater complex, located at 1501 14th St., NW, and the renovation of housing facilities owned by Studio Theater, Inc., and used as artist housing.

- PR23-0988, The Gallaudet University Revenue And Refunding Bonds Project Approval Resolution Of 2020”

Proposed Resolution 23-0988, the “Gallaudet University Revenue and Refunding Bonds Project Approval Resolution of 2020” (“Proposed Resolution”), was introduced by Chairman Mendelson, at the request of the Mayor, on October 2, 2020. The Proposed Resolution was referred to the Committee on October 6, 2020. The Committee held a public hearing on this Proposed Resolution on October 29, 2020.

This Proposed Resolution would authorize and provide for the issuance, sale, and delivery District of Columbia revenue and refunding bonds, in one or more series, in an aggregate principal amount not to exceed \$60 million. The Proposed Resolution would also provide for the loan of the proceeds of such bonds to assist Gallaudet University in the financing, refinancing, or reimbursing of costs associated with an authorized project (the “Project”) pursuant to Section 490 of the District of Columbia Home Rule Act. The Project will include renovations in furtherance of the next phase of the University’s updated Campus Master Plan 2012-2022. Bond proceeds may also be used to refund all or a portion of outstanding bonds.

I am also requesting that you agendize the following emergency measures for the November 10, 2020 Legislative Meeting

Emergency Measures at the request of the Office of the Chief Financial Officer

- The “Capital Gains Deduction Clarification Emergency Declaration Resolution of 2020”
- The “Capital Gains Deduction Clarification Temporary Act of 2020”
- The “Capital Gains Deduction Clarification Emergency Act of 2020”

These measures would amend section 47-1803.03 of the District of Columbia Official Code to clarify that the capital gains deduction is available to individuals as well as to corporations, trusts, and estates as provided in Section 2022 of the Fiscal Year 2021 Budget Support Act of 2020 (BSA), enacted August 21, 2020 (D.C. Act 23-407; D.C. Official Code §§ 47-1801.04 and 47-1803.03(a)).

The BSA subtitle intended to decouple the capital gains tax deferral for purposes of District income taxes unless the investment meets certain criteria. Because individuals and trusts (in addition to businesses) make investments in QOZs, the bill corrects an omission by adding the subtitle's QOZ provisions to the section of the D.C. Code pertaining to income taxation of individuals and trusts.

All reports have been filed with the Secretary's Office. Drafts of the emergency measures are attached.

Please contact Brian McClure, Director of Policy and Legislative Affairs, at 727-3888 or bmcclure@dccouncil.us if you have any questions.

cc: Members, Council of the District of Columbia
Office of the Secretary
Office of the General Counsel
Office of the Budget Director
Mayor's Office of Policy and Legislative Affairs