


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

1350 Pennsylvania Avenue, NW, Washington, D.C. 20004

TO: Chairperson Phil Mendelson
FROM: Councilmember Kenyan R. McDuffie 
RE: Request to Agendize Measures for the December 7, 2021 Legislative Meeting
DATE: December 2, 2021

Pursuant to Council Rule 426, regarding a waiver of Rule 231(c), I request that the following measures be agendized for the December 7, 2021 Legislative Meeting.

Otherwise, I request that the measures be agendized for the Committee of the Whole on December 7, 2021, should one be scheduled. The measures were marked up by the Committee on Business and Economic Development and have been timely filed with the Secretary's Office.

Measures from the Committee:

- **PR24-0222, the “2 Patterson Disposition Approval Resolution of 2021”**

The proposed measure declares the real property located at 2 Patterson Street, NE, and known for taxation and assessment purposes as Lot 0245 in Square 0672 as surplus and authorizes the Mayor to dispose of the property to the selected development team, MMMC 2 Patterson JV LLC pursuant to D.C. Official Code § 10-801 and subject to a 99-year ground lease. This developer is a joint venture comprised of Monument Realty LLC, Morningstar Community Development LLC, The May Firm PLLC, and THC Affordable Housing, Inc.

The 2 Patterson Property is unimproved land – totaling approximately 42,252 square feet – currently used as a private surface parking lot managed by Franklin Parking LLC. The Property was once owned by the District of Columbia Redevelopment and Land Agency and later transferred to the National Capital Revitalization Corporation before becoming part of the Office of the Deputy Mayor for Planning and Economic Development's inventory for redevelopment. *This resolution will be deemed disapproved on Friday, December 17, 2021, without Council action.*

- **PR24-0288, the “Public Service Commission Richard Beverly Confirmation Resolution of 2021”**

The proposed measure would confirm the reappointment of the Mayor's nominee, Mr. Richard Beverly, as a member of the Public Service Commission (“PSC” or “Commission”) for a term to end on June 30, 2024. Mr. Beverly was first appointed to this role in 2016. During his tenure on the Commission, Mr. Beverly has demonstrated an impressive willingness and ability to educate himself on new subject matter. Further, he has issued independent minority decisions and written comments on matters before the PSC focused on climate, equity, and low-income rate payers. *This resolution will be deemed disapproved on Wednesday, December 15, 2021, without Council action.*

Prior to his appointment to the Commission, Mr. Beverly worked for nearly two decades at the PSC in the Office of General Council. Mr. Beverly has also served as a member of the Administrative Review Board of the US Department of Labor and General Counsel to the District's

Office of Employee Appeals. A resident of Ward 1, Mr. Beverly earned a Bachelor of Arts from Howard University and a Juris Doctor from American University.

- **PR24-0444, the “Friendship Public Charter School, Inc. Revenue Bonds Project Approval Resolution of 2021”**

The proposed measure 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 \$20 million. The bond proceeds would help Friendship Public Charter School, Inc. (“Friendship PCS”) with costs associated with the renovation of its Lamond Campus in Northeast D.C.; the installation of an elevator system at its Blow Pierce Campus in Northeast D.C.; and capital improvements and educational supports for several of its other campuses across the District. Each of these proposed uses comply with Section 490 of the District of Columbia Home Rule Act.

Friendship PCS was established in 1998. Currently, it is one of the District’s largest public charter school networks as it operates 15 charter campuses on nine sites that serve approximately 4,500 students in grades PK-12. Friendship PCS requests approval of this measure prior to the end of the year to take advantage of current favorable market conditions.

- **PR24-0445, the “D.C. Preparatory Academy Revenue Bonds Project Approval Resolution of 2021”**

The proposed measure 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 \$55 million. The bond proceeds would help D.C. Preparatory (“D.C. Prep”) refund existing D.C. revenue bonds from 2005 and 2007 for its Edgewood facility; refinance its Benning site upon an unwinding of existing 2014 New Markets Tax Credit financing; fund the renovation and redevelopment of its Wilkinson facility site; and fund certain bond issuance costs. Each of these proposed uses comply with Section 490 of the District of Columbia Home Rule Act.

D.C. Prep is a 19-year-old public charter school network of six schools serving Wards 5, 7, and 8. The charter school network serves over 2,100 students in PK3-8th grade. D.C. Prep requests approval of this measure prior to the end of the year to take advantage of current favorable market conditions.

I also write to request that the following emergency measures be placed on the December 7, 2021 Legislative Meeting agenda:

Emergency and Temporary Measures:

- **Streatory Program Extension Emergency Amendment Act of 2021**
- **Streatory Program Extension Temporary Amendment Act of 2021**
- **Streatory Program Extension Emergency Declaration Resolution of 2021**

On April 6, 2021, the Council passed the Coronavirus Support Temporary Amendment Act of 2021 (D.C. Law 24-0009), which took effect on June 24, 2021. The temporary legislation, which expires on February 4, 2022, allows Alcoholic Beverage Control (“Board”) licensed establishments that register with the Board to offer beer, wine, or spirits for sale on expanded outdoor space until

December 31, 2021. The Mayor’s Reopen Washington DC Alcoholic Beverage Regulation Amendment Act of 2021, which is currently being considered by the Council, would allow registered streateries to start operating again after the December 31, 2021 statutory expiration date on May 1, 2022.

Many alcoholic beverage licensed establishments continue to struggle financially due to the Coronavirus pandemic. Additionally, some patrons continue to prefer to dine outdoors, including during winter, due to health concerns regarding the Coronavirus pandemic. There remains a need to accommodate concerned patrons and aid these establishments by allowing registered streateries to continue to operate between January 1, 2022 and April 30, 2022 at no cost to the licensee while the Council considers the Mayor’s Reopen Washington DC Alcoholic Beverage Regulation Amendment Act of 2021. There also remains a need to provide clarity to licensees and the public regarding the current requirements that a registered streatery may operate under Title 25 of the D.C. Official Code.

- **Bill 24-0512, the “Capital Gains Deduction Clarification Emergency Act of 2021”**
- **Bill 24-0513, the “Capital Gains Deduction Clarification Temporary Act of 2021”**
- **PR24-0482, the “Capital Gains Deduction Clarification Emergency Declaration Resolution of 2021”**

As part of the 2017 federal Tax Cuts and Jobs Act, a capital gains deferral was granted to corporations, trust, estates, and individuals that make investments in Qualified Opportunity Zones. When the District provided conforming legislation as part of the 2021 Budget Support Act (BSA) (Law 23-149), the capital gains deferral was only provided to corporations, trusts, and estates; individuals were not included although the intent was that they be included. After passage of FY21 BSA, Council and OCFO staff determined that the law needed to be clarified or amended to effectuate its original intent. While the oversight was corrected by a round of emergency and temporary legislation (Act 23-517 and Law 23-261), the measures expired. Specifically, the emergency act expired on March 2, 2021 and the temporary act expired on October 27, 2021.

The proposed legislation would 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, enacted August 21, 2020 (D.C. Act 23-407; D.C. Official Code §§ 47-1801.04 and 47-1803.03(a)).

- **“Fair Meals Delivery Second Emergency Act of 2021”**
- **“Fair Meals Delivery Second Temporary Act of 2021”**
- **“Fair Meals Delivery Second Emergency Declaration Resolution of 2021”**

As a result of the public health emergency brought on by the COVID-19 pandemic, restaurants began operating at limited capacity. The public health emergency forced many consumers to order more take-out meals from their homes using websites, mobile applications, or other internet services. Many times, the websites, mobile applications, or other internet services are not operated by restaurants but rather by a third-party meal delivery platform. As a matter of principle, a restaurant should know who or what third-party meal delivery platform is providing meal-delivery services of food from its restaurant.

In early 2021, the Council enacted emergency and temporary legislation that addressed this issue. The Fair Meals Delivery Temporary Act of 2021, effective May 13, 2021, expires on December

24, 2021. The Fair Meals Delivery Act, as introduced on April 29, 2021 has not completed the legislative process and will not become law before the expiration of the temporary legislation. Accordingly, it is important to keep the provisions of the temporary law in effect, without interruption, until the permanent measure is law.

Congressional Review Emergency Measure:

- **“Child Wealth Building Congressional Review Emergency Act of 2021”**
- **“Child Wealth Building Congressional Review Emergency Declaration Resolution of 2021”**

In the FY22 Budget Support laws, the Council authorized the Chief Financial Officer to reallocate funds within the Office of the Chief Financial Officer to implement the Child Wealth Building Emergency Act of 2021, effective November 1, 2021 and the Child Wealth Building Act of 2021, passed on first reading on November 2, 2021. The emergency measure expires on December 30, 2021. The permanent legislation, which is scheduled for second reading on December 7, 2021, must complete the legislative process, including the 30-day review period required by section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973, and will not become law before the expiration of the emergency legislation. Accordingly, it is important that the provisions of the emergency legislation to continue in effect, without interruption, until the permanent legislation is in effect.

Drafts of the measures are attached along with the legal sufficiency and fiscal impact determinations for most of them. If you have any questions, please contact Ms. Alicia DiFazio at adifazio@dccouncil.us.

Thank you for your consideration of this request.

cc: Members, Council of the District of Columbia
Office of the Secretary
Office of the General Counsel
Office of the Budget Director