

COUNCIL OF THE DISTRICT OF COLUMBIA

(1) Business Incubator Facilitation Act of 1985

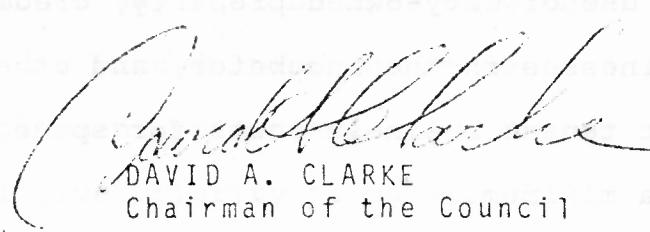
NOTICE

D.C. LAW 6-71

"Business Incubator Facilitation Act of 1985".

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P. L. 93-198, "the Act", the Council of the District of Columbia adopted Bill No. 6-205 on first and second readings, September 24, 1985, and October 8, 1985, respectively. Following the signature of the Mayor on October 18, 1985, this legislation was assigned Act No. 6-95, published in the November 8, 1985, edition of the D.C. Register, (Vol. 32 page 6334) and transmitted to Congress on October 23, 1985 for a 30-day review, in accordance with Section 602 (c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and therefore, cites this enactment as D.C. Law 6-71, effective December 12, 1985.


DAVID A. CLARKE

Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

October 23, 24, 25, 28, 29, 30, 31

November 1, 4, 5, 6, 7, 8, 12, 13, 14, 15, 18, 19, 20, 21, 22

December 2, 3, 4, 5, 6, 9, 10, 11

D.C. LAW 6 - 71

AN ACT

EFFECTIVE DEC 12 1985

D.C. ACT 6 - 95

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

OCT 18 1985

To provide for the establishment of one or more business incubators in the District of Columbia by offering the use of city-owned property, credit support for business incubator financing, and other incentives to ensure that tenant business costs for space and services are kept to a minimum; and for other purposes

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Business Incubator Facilitation Act of 1985".

Sec. 2. Purposes.

In enacting this act, the Council of the District of Columbia supports the following statutory purposes:

(a) To facilitate the establishment of 1 or more business incubators in the District of Columbia by offering the use of city-owned property, credit support for financing businesses in the incubator, and other incentives to ensure that tenant business costs for space and services are kept to a minimum.

(b) To design business incubators to assist companies through the conceptual, start-up, and early growth stages of their businesses. The business incubator is not intended to serve merely as inexpensive quarters for established businesses.

Sec. 3. Definitions.

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For the purposes of this act, the term:

(1) "Business incubator" means a building that provides low-cost space and services to eligible tenant businesses. The term "business incubator" does not mean a multi-tenant facility that offers space alone.

(2) "Council" means the Council of the District of Columbia.

(3) "District" means the District of Columbia.

(4) "Mayor" means the Mayor of the District of Columbia.

Sec. 4. Eligibility criteria.

(a) The Mayor shall define eligibility criteria for business incubators receiving public support. These criteria shall be stated in terms of business and economic development objectives, including, but not limited to, consideration of the following recommendations:

(1) The Mayor shall rank the types of businesses that would be eligible tenants.

(2) The Mayor shall rank-order the District government's preferences in such a way that businesses with little job creation potential are ranked lower than those businesses which have more employment potential.

(3) The Mayor shall give priority to potential tenant businesses such as light industrial, research and development, and business services companies that are potential major contributors to job creation efforts in the District.

(b) To be an eligible tenant business for occupancy in

New,
D.C. Code,
sec. 1-2233
(1986 supp.)

a business incubator, a business shall be based and incorporated in the District, shall have its corporate headquarters and principal place of business located in the District, and shall not be a subsidiary of another business.

Sec. 5. Admissions policy.

(a)(1) The Mayor shall establish admissions criteria for occupancy in a business incubator.

(2) Admissions criteria may include, but not be limited to, factors such as the age, size, and financial status of the business.

(b) The Mayor shall establish screening and application procedures which will apply to all prospective tenant businesses.

(c) Submission of a business plan may be required for admission, especially for new-start businesses.

(d) Any business selected for occupancy in a business incubator shall demonstrate a potential for success and an identified market for its goods or services.

(e) Any business selected for occupancy in a business incubator must contract with the District government to maintain its principal place of business within the District for a minimum of 10 years following its move from the business incubator.

(f) Each tenant business selected for occupancy in the business incubator shall be responsible for the cost of office renovations, maintenance, and, upon departure from the business incubator, for the cost of returning its incubator space to its original condition unless other

arrangements are made in advance of departure with a new tenant business.

(g) The Mayor shall establish the minimum insurance requirements of any tenant business to insure against any future liability of the District government for the business operations of the tenant.

Sec. 6. Services.

New,
D.C. Code,
sec. 1-2235
(1986 supp.)

(a) Selected basic services shall be included in the rent for the business incubator; other services shall be paid for on an as-used basis.

(b) The only free services shall be those ordinarily available free of charge from participating providers.

(c) Services available elsewhere shall not be duplicated; all existing management support and services programs in the District, including financial services, shall be utilized.

(d) Both public and private resources may be made available to tenant businesses.

Sec. 7. Mayor may contract for outside management.

New,
D.C. Code,
sec. 1-2236
(1986 supp.)

The Mayor may contract with a for-profit or a nonprofit corporation or educational institution that can utilize its resources to provide management of the business incubator facility and its services, to provide business development assistance, and to coordinate financial assistance programs.

This contractor would implement the recommendations of the Advisory Board established in section 12. The selection of a contractor for this purpose shall be subject to review by the Council's Committee on Housing and Economic Development

("HED Committee").

Sec. 8. Priority to residents.

Priority shall be given to tenant businesses owned by persons who are residents of the District.

Sec. 9. First source employment agreement required.

Tenant businesses chosen for occupancy in business incubators shall execute a first source employment agreement with the District government pursuant to section 4 of the First Source Employment Agreement Act of 1984, effective June 29, 1984 (D.C. Law 5-93; D.C. Code, sec. 1-1163).

Sec. 10. Maximum stay policy.

The Mayor shall devise a policy that encourages tenant businesses to leave the business incubators when a certain level of development is reached, but does not arbitrarily evict a tenant business at a crucial period in its development.

Sec. 11. Location of business incubators.

The Mayor shall locate business incubators in areas in the District appropriate to the types of businesses targeted for occupancy, based on District-determined priorities, and shall seek sites which have the least prohibitive zoning in order to allow a range of uses.

Sec. 12. Advisory Board established.

(a) There is established a Business Incubator Advisory Board ("Advisory Board").

(b) The Advisory Board shall consist of 5 members: 2 appointed by the Mayor with the advice and consent of the Council; 2 appointed by the Chairperson of the HED

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Committee, 1 of whom shall be chairperson; and 1 appointed by the Chairman of the Council.

(c) The Mayor shall select for nomination to the Advisory Board District residents with experience or training in fields such as:

- (1) Financial management;
- (2) Accounting;
- (3) Personnel;
- (4) Marketing; and
- (5) Other relevant business-related areas.

(d) Members of the Advisory Board shall serve for a 2-year term commencing on the date a majority of members take office.

(e) Members of the Advisory Board shall be entitled to reimbursement for expenses directly related to their responsibility under this act pursuant to section 1108(b) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-612.8(b)).

Sec. 13. Duties of the Advisory Board.

New,
D.C. Code,
sec. 1-2242
(1986 supp.)

The Advisory Board shall advise the Mayor and the Council regarding ways in which the District can best support business incubator development and the delivery of services and resources to tenant businesses by public and private entities. Meetings shall be called by the chairperson of the Advisory Board.

Sec. 14. Rules.

New,
D.C. Code,
sec. 1-2243
(1986 supp.)

of this act not later than 60 days after the effective date of this act.

Sec. 15. Annual report.

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The Office of Business and Economic Development shall annually prepare a report for the HED Committee which shall describe in detail the operations of each business incubator, including, but not limited to, a discussion of:

(1) The business operation of each tenant business;

(2) The impact of the product or service provided to the public and the job training opportunities of each tenant business to the economic development objectives of the city for which the tenant business was selected;

(3) The employment benefits and revenues to the District as a result of the establishment of the business incubator;

(4) The utilization of shared services;

(5) Any recurrent problems experienced in the management of the business incubator as well as the recommended corrective action;

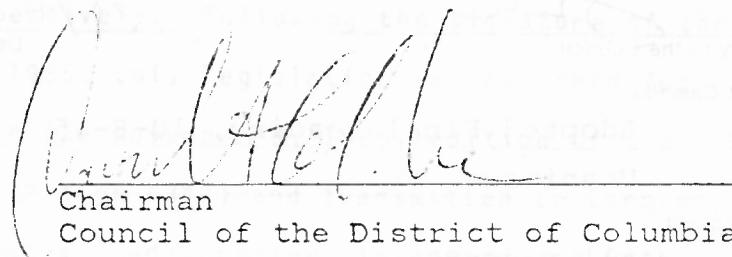
(6) Any financial or technical assistance provided to a tenant business by the public or private sector;

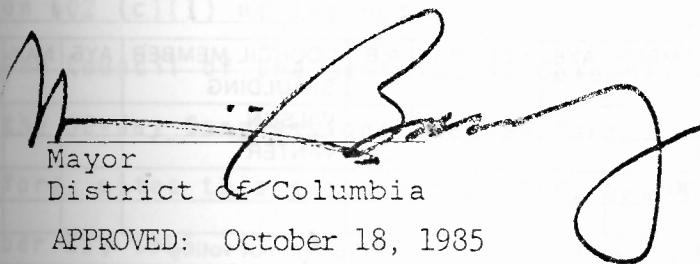
(7) The establishment and implementation of business incubator policies, rules, and regulations; and

(8) Any legislative initiatives which would increase the productivity, viability, and economic benefits of business tenants or a business incubator facility.

Sec. 16. Effective date.

This act shall take effect after a 30-day period of Congressional review following approval by the Mayor (or in the event of veto by the Mayor, action by the Council of the District of Columbia to override the veto) as provided in section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; D.C. Code, sec. 1-233(c)(1)).


Chairman
Council of the District of Columbia


Mayor
District of Columbia

APPROVED: October 18, 1985



COUNCIL OF THE DISTRICT OF COLUMBIA
Council Period Six — First Session

RECORD OF OFFICIAL COUNCIL VOTE

DOCKET NO: B 6-205

Item on Consent Calendar

ACTION & DATE: Adopted First Reading, 9-24-85

VOICE VOTE: Unanimous

Recorded vote on request

Absent: all present

ROLL CALL VOTE: — RESULT (/ / / /)

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE					RAY					SPAULDING				
CRAWFORD					ROLARK					WILSON				
JARVIS					SCHWARTZ					WINTER				
KANE					SHACKLETON									
MASON					SMITH, JR.									

X — Indicates Vote

A.B. — Absent

N.V. — Present, not voting

CERTIFICATION RECORD

Secretary to the Council

Date

Item on Consent Calendar

ACTION & DATE: Adopted Final Reading, 10-8-85

VOICE VOTE: Unanimous

Recorded vote on request

Absent: all present

ROLL CALL VOTE: — RESULT (/ / / /)

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE					RAY					SPAULDING				
CRAWFORD					ROLARK					WILSON				
JARVIS					SCHWARTZ					WINTER				
KANE					SHACKLETON									
MASON					SMITH, JR.									

X — Indicates Vote

A.B. — Absent

N.V. — Present, not voting

CERTIFICATION RECORD

Secretary to the Council

Date

Item on Consent Calendar

ACTION & DATE:

VOICE VOTE:

Recorded vote on request

Absent:

ROLL CALL VOTE: — RESULT (/ / / /)

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE					RAY					SPAULDING				
CRAWFORD					ROLARK					WILSON				
JARVIS					SCHWARTZ					WINTER				
KANE					SHACKLETON									
MASON					SMITH, JR.									

X — Indicates Vote

A.B. — Absent

N.V. — Present, not voting

CERTIFICATION RECORD

Secretary to the Council

Date