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Council Holds Emergency Session to Pass Measures Authorizing Enforcement of Karim Subpoena and Prohibiting Settlement Payment

Washington, DC—In an emergency legislative session today, the Council of the District of Columbia unanimously adopted the "Enforcement of Subpoena of Omar Karim Resolution of 2010" and the "District Settlement Payment Integrity Emergency Act of 2010." Ward 5 Councilmember Harry "Tommy" Thomas, Jr. introduced both measures as part of the continuing inquiry into the Department of Parks and Recreation (DPR) capital project contracts routed circuitously via memorandums of understanding from the agency through the Office of the Deputy Mayor for Planning and Economic Development to the DC Housing Authority, and then sole-sourced to Mr. Karim's firm, Banneker Ventures, LLC.

The "Enforcement of Subpoena of Omar Karim Resolution of 2010" authorizes the Council of the District of Columbia to petition the Superior Court of the District of Columbia to compel testimony and documents from Mr. Karim before the Council Committee on Libraries, Parks, and Recreation, pursuant to the Committee on Libraries, Parks, and Recreation Budget Transparency Investigation Authorization Resolution of 2009. The resolution was deemed necessary because Mr. Karim refused to answer any questions relating to the Liberty Law Group, another firm he owns and operates, during his August 5, 2010 deposition with Robert Trout, the Special Counsel appointed by the Council to investigate the contracts. In particular, Mr. Karim refused to answer questions about Liberty Law Group's payments to Liberty Industries, its use of and payment for the office space at 700 12th Street, NW, the circumstances under which Liberty Law Group, Banneker Ventures, and Liberty Engineering apparently shared the same office, and the financial relationship between Liberty Law Group and Blue Skye Construction. Blue Skye Construction was selected as one of the general contractors for the parks contracts. "It is unfortunate but necessary that we go to court to enforce this subpoena," said Councilmember Thomas.

Also at today's legislative session, the Council passed the "District Settlement Payment Integrity Emergency Act of 2010" in response to the Mayor's pocket veto of the same bill passed on July 13, 2010. A pocket veto occurs when the Mayor does not sign a bill while the Council is on recess. The emergency legislation is necessary because the Office of the Attorney General has initiated a settlement agreement between the District of Columbia and Banneker Ventures, LLC even though an active investigation is underway and the Council disapproved the contract.

“If the investigation determines that that the city is owed money and a settlement agreement has been struck, District tax payers will barred from recovery” said Councilmember Thomas. “Plain and simple, entering into a settlement agreement with a firm that is the focus of an active investigation is not good public policy.”

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