

**DISTRICT OF COLUMBIA**  
**OFFICIAL CODE**

**TITLE 42.**  
**REAL PROPERTY.**

**CHAPTER 27.**  
**HOUSING FINANCE AGENCY.**

**2001 Edition**

# DISTRICT OF COLUMBIA OFFICIAL CODE

## CHAPTER 27. HOUSING FINANCE AGENCY.

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# CHAPTER 27. HOUSING FINANCE AGENCY.

## SUBCHAPTER I. POLICY AND DEFINITIONS.

### § 42-2701.01. DECLARATION OF POLICY.

(a) The Council of the District of Columbia hereby finds: that a decline in the number of housing units in the District of Columbia, together with the existing number of substandard dwellings, has produced a critical shortage of adequate housing for low and moderate income families; that this shortage of affordable housing and the inability of residents to obtain appropriate financing compels a substantial number of District residents to live in unsanitary, overcrowded and unsafe conditions and to expend a disproportionate portion of their incomes on housing; that these conditions are detrimental to the health and welfare of District residents and adversely affect the economy of the District; that a major cause of this housing crisis is the cost of funds made available by mortgage lenders in the District to finance housing for low and moderate income families; and further that this situation has frustrated the construction, lease, sale and purchase of housing units for low and moderate income families.

(b) The Council determines that a corporate instrumentality of the District shall be created and given authority to generate funds from private and public sources to increase the supply and lower the cost of funds available for residential mortgages and construction loans and thereby help alleviate the shortage of adequate housing. The Council further determines that this purpose can be accomplished through programs whereby mortgage lenders and/or the Agency make mortgage, construction and rehabilitation loans for single and multifamily rental and home ownership units on terms designed to expand available housing opportunities. The Council further determines that this purpose can also be accomplished through a program whereby the Agency issues bonds and lends the proceeds thereof to Eligible State and Local Government Units to enhance the Agency's ability to generate revenues to fulfill its duties under this chapter. The Council further determines that the goals of neighborhood and fiscal stability can be achieved through a policy of residential economic diversity.

(c) The Council hereby declares that the enactment of this chapter is in the public interest and for the public benefit, and that the authority and powers conferred by this chapter and the expenditure of monies pursuant to this chapter are to serve valid public purposes.

(Mar. 3, 1979, D.C. Law 2-135, § 101, 25 DCR 5008; Apr. 20, 1999, D.C. Law 12-247, § 2(a), 46 DCR 1100.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2101.

1973 Ed., § 45-1901.

##### *Legislative History of Laws*

Law 2-135, the "District of Columbia Housing Finance Agency Act," was introduced in Council and assigned Bill No. 2-161, which was referred to the committee on Housing and Urban Development. The Bill was adopted on first and second readings on July 25, 1978, and September 19, 1978, respectively. Signed by the Mayor on November 1, 1978, it was assigned Act No. 2-291 and transmitted to both Houses of Congress for its review.

Law 12-247, the "Housing Finance Agency Amendment Act of 1998," was introduced in Council and assigned Bill No. 12-300, which was referred to the Committee on Economic Development. The Bill was adopted on first and second readings on December 1, 1998, and December 15, 1998, respectively. Signed by the Mayor on December 24, 1998, it was assigned Act No. 12-584 and transmitted to both Houses of Congress for its review. D.C. Law 12-247 became effective on April 20, 1999.

### § 42-2701.02. DEFINITIONS.

The following terms as used in this chapter shall have the following meanings unless a different meaning clearly appears from the context:

- (1) "Chapter" means this Housing Finance Agency Act.
- (2) "Agency" means the District of Columbia Housing Finance Agency.
- (3) "Board" means the Board of Directors of the District of Columbia Housing Finance Agency.
- (4) "Bonds," "notes" and "other obligations" refer to any bonds, notes, debentures, interim certificates or other evidences of financial indebtedness of the Agency authorized to be issued under the provisions of this chapter.
- (5) "Council" means the Council of the District of Columbia.
- (6) "Construction loan" means a short term advance of monies for the purpose of constructing or rehabilitating housing projects.
- (7) "District" means the District of Columbia.
- (8) "Eligible persons" means individuals and families who qualify for housing under a given program according to the requirements of the program as established by the Agency.
- (8A) "Eligible State or Local Government Unit" means any state or political subdivision thereof within the meaning of § 103 of the Internal Revenue Code of 1986 (or successor provisions), including any agency, authority, body, commission or entity that acts on behalf of any such state or political subdivision, which is authorized under applicable law to issue bonds or enter into other obligations for the purpose of providing low and moderate income housing.
- (8B) "State or Local Government Loan" means a loan or other advance of monies by the Agency to an Eligible State or Local Government Unit to be used as permitted by refunding agreements between the Eligible State or Local Government Unit and the Department of Housing and Urban Development.
- (9) "Forward Commitment Mortgage Purchase Program" means a program pursuant to which the Agency commits to purchase from or originate through mortgage lenders mortgage loans committed to and originated by the mortgage lender or the Agency after the date of the Agency's commitment where the loans are to low or moderate income persons for financing housing units to be owner-occupied or are loans which meet the requirements of subsection (b) or (c) of § 42-2703.02.
- (10) "Homeownership program" means any type of program through which a person can achieve an ownership position in a residential unit including, but not limited to, cooperatives and condominiums.
- (11) "Housing project or project" means any undertaking to plan, develop, construct or rehabilitate one or more dwelling units located in the District of Columbia which meets the requirements of this chapter. Such undertaking may include, but is not limited to any building, land, equipment, facilities or other real or personal property which are necessary, convenient or desirable appurtenances, streets, sewers, utilities, parks, site preparation or landscaping; and other non-housing facilities, such as offices, stores, commercial facilities, community, medical, educational, social, health, recreational, and welfare facilities, which are reasonably related to and subordinate to the housing project, consistent with the applicable Internal Revenue Code provisions, as amended, and the regulations thereunder, as determined to be necessary, convenient or desirable by the Agency. Any facility which incorporates the residence and care of persons with special needs, including but not limited to the aged, youth, students, homeless, persons with disabilities, persons requiring health and medical care, shall be deemed an undertaking for purposes of this chapter.
- (11A) "Loan" means a secured or unsecured obligation issued for the purposes of financing a housing project or homeownership program.
- (12) "Low income persons" means those persons and families whose annual income as determined by the Agency does not exceed the income requirements for low income persons as established by the Internal Revenue Service or the Department of Housing and Urban Development from time to time as applicable to the particular housing project or homeownership program under the Agency's plan of financing.
- (13) "Moderate income persons" means those persons and families whose annual income as determined by the Agency does not exceed the income requirements for moderate income persons established by the Internal Revenue Service or the Department of Housing and Urban Development from time to time as applicable to the particular housing project or homeownership program under the Agency's plan of financing.
- (14) "Mortgage" means a mortgage deed, deed of trust, or other security instrument which shall constitute a lien in the District on improvements and real property in fee simple, on a lease having a remaining term, which at the time such mortgage is acquired does not expire for at least that number of years beyond the maturity date of the obligation secured by such mortgage.
- (15) "Mortgage lender" means an entity as defined in § 26-1101(11), that is deemed eligible by the Agency to participate in any of its programs.

(16) "Mortgage loan" means an obligation secured by a mortgage financing a housing project.

(17) "Sponsor" means a sole proprietor, joint venture, partnership, limited partnership, trust, corporation, cooperative, or condominium, whether nonprofit or organized for profit, which owns or sponsors a housing project pursuant to the provisions of this chapter.

(18) "Subsidy" means any resources generated through appropriation by the federal or District government, or donated by a public or private source; the resources must be designated for meeting housing expense and may be payments to the occupant of a housing unit as reimbursement for monies expended, payment made for supplementing housing or rent payments made by an occupant, or payments made to effect a reduction in mortgage interest rates paid by the mortgagor of a housing unit.

(19) "Cooperative" means a rental housing unit or project, unless the Agency determines by resolution that a given unit or units in a given project shall be deemed to be a homeownership housing unit or project.

(20) "Very-Low Income" means those persons and families whose annual income as determined by the Agency does not exceed the income requirements for very-low income persons as established by the Internal Revenue Service or the Department of Housing and Urban Development from time to time as applicable to the particular housing project or homeownership program under the agency's plan of financing.

(Mar. 3, 1979, D.C. Law 2-135, § 102, 25 DCR 5008; Aug. 5, 1981, D.C. Law 4-28, § 2(a)-(f), 28 DCR 2848; Apr. 20, 1999, D.C. Law 12-247, § 2(b), 46 DCR 1100; Apr. 12, 2000, D.C. Law 13-91, § 164, 47 DCR 520; Mar. 25, 2003, D.C. Law 14-239, § 2(a), 49 DCR 11162.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2102.

1973 Ed., § 45-1902.

##### *Effect of Amendments*

D.C. Law 13-91 validated a previously made technical amendment.

D.C. Law 14-239 rewrote par. (15) which had read as follows:

"(15) 'Mortgage lender' means any bank, mortgage banking company, trust company, savings bank, savings and loan association, credit union, national banking association, federal savings and loan association or federal credit union maintaining an office in the District, or any insurance company authorized to do business in the District and deemed eligible by the Agency to participate in any of its programs."

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

Law 4-28, the "District of Columbia Housing Finance Agency Act Amendments Act of 1981," was introduced in Council and assigned Bill No. 4-145, which was referred to the Committee on Housing and Economic Development. The Bill was adopted on first and second readings on May 5, 1981, and May 19, 1981, respectively. Signed by the Mayor on June 9, 1981, it was assigned Act No. 4-49 and transmitted to both Houses of Congress for its review.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

Law 13-91, the "Technical Amendments Act of 1999," was introduced in Council and assigned Bill No. 13-435, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 2, 1999, and December 7, 1999, respectively. Signed by the Mayor on December 29, 1999, it was assigned Act No. 13-234 and transmitted to both Houses of Congress for its review. D.C. Law 13-91 became effective on April 12, 2000.

Law 14-239, the "Housing Finance Agency Amendment Act of 2002", was introduced in Council and assigned Bill No. 14-345, which was referred to the Committee on Economic Development. The Bill was adopted on first and second readings on October 1, 2002, and November 7, 2002, respectively. Signed by the Mayor on November 26, 2002, it was assigned Act No. 14-520 and transmitted to both Houses of Congress for its review. D.C. Law 14-239 became effective on March 25, 2003.

##### *References in Text*

Section 103 of the Internal Revenue Code of 1986, referred to in (8A), is codified at 26 U.S.C. § 103.

## **SUBCHAPTER II. ESTABLISHMENT OF THE AGENCY.**

## **§ 42-2702.01. CREATION; PURPOSE.**

The District of Columbia Housing Finance Agency is created as a corporate body which has a legal existence separate from the government of the District but which is an instrumentality of the government of the District created to effectuate certain public purposes.

(Mar. 3, 1979, D.C. Law 2-135, § 201, 25 DCR 5008.)

### *HISTORICAL AND STATUTORY NOTES*

#### *Prior Codifications*

1981 Ed., § 45-2111.

1973 Ed., § 45-1903.

#### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

#### *Miscellaneous Notes*

Appropriations approved: Public Law 101-518, 104 Stat. 2227, the District of Columbia Appropriations Act, 1991, provided that up to \$275,000 within the 15% set-aside for special programs within the Tenant Assistance Program shall be targeted for the single-room occupancy initiative.

Repayment by D.C. Housing Finance Agency: Section 147 of Pub. Law 104-194 provided that, notwithstanding any other law, the District of Columbia Housing Finance Agency, shall not be required to repay moneys advanced by the District government (including accrued interest thereon) pursuant to Congressional appropriations for fiscal years 1980 through 1992.

## **§ 42-2702.02. BOARD OF DIRECTORS.**

(a) The agency shall be governed by a Board of Directors, which shall be comprised of 5 members who are residents of the District of Columbia. Two shall have experience in mortgage lending or finance, 2 shall have experience in home building, real estate, architecture, or planning, and 1 shall represent community or consumer interests. The members shall be appointed by the Mayor, with advice and consent of the Council, in accordance with § 1-523.01. Members shall be appointed for 2-year terms. Of the 5 members first appointed pursuant to this chapter, 2 shall serve for a term of 1 year and 3 shall serve for a term of 2 years.

(b) The appointing authority or the Board may remove a member of the Board for inefficiency, neglect of duty or misconduct in office, after giving the member a copy of the charges against him and an opportunity to be heard in person or by counsel in his defense upon not less than 10 days' notice. Removal of a member by action of the Board shall require an affirmative vote of 3 members. If a member is removed by the Board, the Board shall promptly notify the Mayor and the Council of the action. Within 30 days after a vacancy occurs or a term expires, the Mayor shall nominate someone to fill the vacancy or begin the new term. The member shall hold office for the term of his appointment and shall serve until a successor has qualified. Any member shall be eligible for reappointment.

(c) The Board shall elect from among its number a chairperson, a vice chairperson, and other officers it may determine.

(d) The powers of the Agency shall be vested in the Board. A majority of the incumbent Board members shall constitute a quorum for the transaction of business, and an affirmative vote of 3 members shall be necessary for valid Agency action. Members of the Board may participate in a meeting of the Board or a committee thereof by means of conference telephone or similar communication equipment so long as all Board members participating in the meeting and members of the public can be heard by each other. No vacancy in the membership of the Board shall impair the right of a quorum to exercise all rights and perform all duties of the Agency. Members of the Board shall be reimbursed for actual and necessary expenses incurred while engaged in services for the Agency. A member of the Board not otherwise employed by the District may also receive per diem compensation at the rate equal to the daily equivalent of step 1 of Grade 15 of the General Schedule established under 5 U.S.C. § 5332, with a limit of \$8,000 per annum.

(e) Repealed.

(Mar. 3, 1979, D.C. Law 2-135, § 202, 25 DCR 5008; Aug. 5, 1981, D.C. Law 4-28, § 2(g), 28 DCR 2848; Aug. 1, 1985, D.C. Law 6-15, § 8(a), 32 DCR 3570; Oct. 5, 1985, D.C. Law 6-44, § 2(a), 32 DCR 4487; Apr. 20, 1999, D.C. Law 12-247, § 2(c), 46 DCR 1100; Oct. 19, 2002, D.C. Law 14-213, § 27, 49 DCR 8140.)

### *HISTORICAL AND STATUTORY NOTES*

#### *Prior Codifications*

1981 Ed., § 45-2112.

1973 Ed., § 45-1904.

*Effect of Amendments*

D.C. Law 14-213, in subsec. (a), substituted "Council, in accordance with § 1- 523.01." for "Council."

*Temporary Amendments of Section*

For temporary (225 day) amendment of section, see § 2(a) of District of Columbia Housing Finance Agency Act Amendment Temporary Act of 1985 (D.C. Law 6-4, May 9, 1985, law notification 32 DCR \_).

*Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

Law 6-15, the "Legislative Veto Amendments Act of 1985," was introduced in Council and assigned Bill No. 6-141, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 14, 1985, and May 28, 1985, respectively. Signed by the Mayor on June 7, 1985, it was assigned Act No. 6-30 and transmitted to both Houses of Congress for its review.

For legislative history of D.C. Law 6-44, see Historical and Statutory Notes following § 42-2701.07.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

For Law 14-213, see notes following § 42-1102.

*Miscellaneous Notes*

Superseding of Law 6-4: Section 3(b) of D.C. Law 6-44 provided that upon October 5, 1985, the act shall supersede the District of Columbia Housing Finance Agency Amendment Act Temporary Act of 1985, effective May 9, 1985 (D.C. Law 6-4).

**§ 42-2702.03. EXECUTIVE DIRECTOR; POWERS AND DUTIES; SERVICE AS SECRETARY OF BOARD; OTHER NECESSARY EMPLOYEES; RIGHTS AND PRIVILEGES THEREOF.**

(a) The Board of Directors shall appoint an Executive Director who shall be an employee of the Agency, but who shall not be a member of the Board, and who shall serve at the pleasure of the Board and receive such compensation as shall be fixed by the Board. The Executive Director shall be appointed by the Board with the advice and consent of the Council. The Executive Director shall administer, manage and direct the affairs and activities of the Agency in accordance with the policies, control and direction of the Board. The Executive Director shall approve all accounts for salaries, allowable expenses of the Agency or of any employee or consultant thereof, and expenses incidental to the operation of the Agency. He shall perform such other duties as may be directed by the Board in carrying out the purposes of this chapter.

(a-1) The Executive Director shall be a District resident throughout his or her term and failure to maintain District residency shall result in a forfeiture of the position.

(b) The Executive Director shall be Secretary to the Board. He shall attend the meetings of the Board, shall keep a record of the proceedings of the Board, and shall maintain and be custodian of all books, documents and papers filed with the Board, of the minutes book or journal of the Board and of its official seal.

(c)(1) The Executive Director may employ on a permanent or temporary basis such employees, including, but not limited to, technical advisors, financial advisors, accountants, legal counsel, appraisers, underwriters, and such other officers, agents and employees deemed necessary to operate the Agency efficiently, and shall determine their qualifications, duties, and compensation.

(2) Notwithstanding the provisions of Unit A of Chapter 14 of Title 2, each qualified District resident applicant shall receive an additional 10-point preference over a qualified non-District resident applicant for all positions within the Agency unless the applicant declines the preference. This 10-point preference shall be in addition to, and not instead of, qualifications established for the position. All persons hired after February 6, 2008, shall submit 8 proofs of residency upon employment in a manner determined by the Board of Directors. An applicant claiming the hiring preference under this section shall agree in writing to maintain bona fide District residency for a period of 7 consecutive years from the effective date of hire and shall provide proof of such residency annually to the director of personnel for the Agency for the first 7 years of employment. Failure to maintain District residency for the consecutive 7-year period shall result in forfeiture of employment.

(Mar. 3, 1979, D.C. Law 2-135, § 203, 25 DCR 5008; Oct. 5, 1985, D.C. Law 6-44, § 2(b), 32 DCR 4487; Apr. 20, 1999, D.C. Law 12-247, § 2(d), 46 DCR 1100; Feb. 6, 2008, D.C. Law 17-108, § 215(a), 54 DCR



10993.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2113.

1973 Ed., § 45-1905.

##### *Effect of Amendments*

D.C. Law 17-108 added subsec. (a-1); and, in subsec. (c), designated par. (1) and added par. (2).

##### *Temporary Amendments of Section*

For temporary (225 day) amendment of section, see § 2(b) of District of Columbia Housing Finance Agency Act Amendment Temporary Act of 1985 (D.C. Law 6-4, May 9, 1985, law notification 32 DCR \_).

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 6-44, see Historical and Statutory Notes following § 42-2701.07.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

Law 17-108, the "Jobs for D.C. Residents Amendment Act of 2007", was introduced in Council and assigned Bill No. 17-185 which was referred to the Committee on Workforce Development and Government Operations. The Bill was adopted on first and second readings on July 10, 2007, and October 2, 2007, respectively. Signed by the Mayor on October 26, 2007, it was assigned Act No. 17-172 and transmitted to both Houses of Congress for its review. D.C. Law 17-108 became effective on February 6, 2008.

##### *Miscellaneous Notes*

Supersedure of Law 6-4: Section 3(b) of D.C. Law 6-44 provided that upon October 5, 1985, the act shall supersede the District of Columbia Housing Finance Agency Amendment Act Temporary Act of 1985, effective May 9, 1985 (D.C. Law 6-4).

### **§ 42-2702.04. CONFLICT OF INTEREST; DISCLOSURE; WAIVER OF BAR AGAINST PARTICIPATION BY INTERESTED PARTY.**

Any member, officer, or employee of the Agency who is interested either directly or indirectly, or who is an officer or employee of, or has an ownership interest in any firm or agency interested directly or indirectly in any transaction with the Agency including, but not limited to, any loan to any sponsor, builder or developer, shall disclose this interest to the Agency. This interest shall be set forth in the minutes of the Agency, and the member, officer, or employee having the interest shall not participate on behalf of the Agency in the authorization or implementation of any such transaction. The Board by two-thirds majority vote may allow a waiver of a member's, officer's or employee's inability to participate in circumstances where the interest falls within guidelines adopted as rules promulgated by the Board.

(Mar. 3, 1979, D.C. Law 2-135, § 204, 25 DCR 5008; Aug. 5, 1981, D.C. Law 4-28, § 2(h), 28 DCR 2848; Apr. 20, 1999, D.C. Law 12-247, § 2(e), 46 DCR 1100.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2114.

1973 Ed., § 45-1906.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

### **§ 42-2702.05. REQUIREMENT FOR PUBLIC OFFICIAL BONDING.**

Each member of the Board shall execute a public official bond in the penal sum of \$25,000, and the Executive Director of the Agency shall execute a public official bond in the penal sum of \$50,000. Each public official bond shall be conditioned upon the faithful performance of the duties of the person bonded, issued by an indemnity company authorized to transact business as an indemnity company in the District, approved by the Corporation Counsel of the District, and filed in the office of the District Department of

Insurance. All costs of the public official bonds shall be borne by the Agency.

(Mar. 3, 1979, D.C. Law 2-135, § 205, 25 DCR 5008; Oct. 5, 1985, D.C. Law 6-44, § 2(c), 32 DCR 4487.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2115.

1973 Ed., § 45-1907.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 6-44, see Historical and Statutory Notes following § 42-2702.07.

### **§ 42-2702.06. DELEGATION OF COUNCIL AUTHORITY TO ISSUE REVENUE BONDS, NOTES AND OTHER OBLIGATIONS FOR AGENCY UNDERTAKINGS.**

The Council delegates to the Agency the authority of the Council under § 1- 204.90 to issue revenue bonds, notes and other obligations to borrow money to finance or assist in the financing of undertakings authorized by this chapter. An undertaking financed or assisted by the Agency shall constitute an undertaking in the area of primarily low and moderate income housing if the housing project or homeownership program complies with the income restriction, rent limitations, tenant income mixtures and other restrictions as established by the Internal Revenue Service, or the Department of Housing and Urban Development as applicable under the plan of financing determined by the Agency at the time it approves the undertaking for financing or assistance, or State or Local Government Loans or supportive programs that generate revenues which benefit programs authorized under this chapter.

(Mar. 3, 1979, D.C. Law 2-135, § 206, as added Aug. 5, 1981, D.C. Law 4- 28, § 2(i), 28 DCR 2848; Apr. 20, 1999, D.C. Law 12-247, § 2(f), 46 DCR 1100; Mar. 25, 2003, D.C. Law 14-239, § 2(b), 49 DCR 11162.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2116.

##### *Effect of Amendments*

D.C. Law 14-239 substituted "or supportive programs" for "are made".

##### *Legislative History of Laws*

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

For Law 14-239, see notes following § 42-2701.02.

### **§ 42-2702.07. AGENCY REPORTS; COUNCIL REVIEW AND APPROVAL OF PROPOSALS.**

(a) The Board of Directors of the Agency shall determine, by enactment of an eligibility resolution that a housing project or homeownership program contemplated to be financed through a bond issuance meets the requirements of this chapter. Subsequent to enactment of an eligibility resolution, the Agency shall send to the Chairman of the Council of the District of Columbia written notification thereof, describing the nature of the housing project, the benefits designed to result therefrom, as related to the public purposes of the Agency, and the criteria under which funds will be made available.

(a-1) Each notification transmitted to the Chairman of the Council of the District of Columbia shall set forth information pertaining to the following:

- (1) Date of application;
- (2) Name and description of the project;
- (3) Address and ward location of the project;
- (4) Developer of the project;
- (5) Amount and type of financing requested;
- (6) Amount and type of federal or District funds involved; and

(7) The number of units reserved for very-low, low and moderate income persons, income restrictions, and rent levels.

(b)(1) Repealed.

(2) The Agency may not adopt an inducement resolution or a resolution authorizing a bond issuance to fund a project nor may the agency implement a proposed housing program submitted in accordance with this section unless the proposal has been submitted to the Council for a 30-day review period, excluding Saturdays, Sundays, holidays, and days of Council recess. During the Council review period, comments of the Council representative from the affected ward shall be considered.

(3) If, during the 30-day review period, the Council does not adopt a resolution disapproving the proposal, the Agency may take action to implement the proposal. The Council may adopt a resolution approving the proposal prior to expiration of the 30-day period in which case the Agency may take immediate action to implement the proposal.

(c) In the event a proposal is disapproved, the resolution shall state the reasons for disapproval. The Agency staff may modify the proposal to address the concerns expressed in the resolution of disapproval and may without further action of the Board resubmit the proposal, as modified, for a 30-day review period, excluding days of Council recess. If, during the 30-day review period the Council does not adopt a resolution disapproving the resubmitted proposal, the Agency may take action to implement the proposal. The Council may adopt a resolution approving the resubmitted proposal prior to the expiration of the 30-day review period in which case the Agency may take immediate action to implement the proposal. For purposes of this section the term "proposal" shall include housing projects and programs.

(Mar. 3, 1979, D.C. Law 2-135, § 207, as added Oct. 5, 1985, D.C. Law 6-44, § 2(d), 32 DCR 4487; Feb. 24, 1987, D.C. Law 6-192, § 12, 33 DCR 7836; Apr. 20, 1999, D.C. Law 12-247, § 2(g), 46 DCR 1100; Apr. 12, 2000, D.C. Law 13-91, § 154, 47 DCR 520.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2117.

##### *Effect of Amendments*

D.C. Law 13-91, validating a previously made technical amendment struck the phrase "(1) Each notification transmitted to the Chairman" and inserted the phrase "(a-1) Each notification transmitted to the Chairman" in its place.

##### *Temporary Amendments of Section*

For temporary (225 day) amendment of section, see § 2(c) of District of Columbia Housing Finance Agency Act Amendment Temporary Act of 1985 (D.C. Law 6-4, May 9, 1985, law notification 32 DCR \_).

##### *Legislative History of Laws*

Law 6-44, the "District of Columbia Housing Finance Agency Act Amendment Act of 1985," was introduced in Council and assigned Bill No. 6-207, which was referred to the Committee on Housing and Economic Development. The Bill was adopted on first and second readings on June 25, 1985, and July 9, 1985, respectively. Signed by the Mayor on July 16, 1985, it was assigned Act No. 6-62 and transmitted to both Houses of Congress for its review.

Law 6-192, the "Technical Amendments Act of 1986," was introduced in Council and assigned Bill No. 6-544, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 5, 1986, and November 18, 1986, respectively. Signed by the Mayor on December 10, 1986, it was assigned Act No. 6-246 and transmitted to both Houses of Congress for its review.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

For Law 13-91, see notes following § 42-2701.02.

##### *Resolutions*

Resolution 13-183, the "District of Columbia Housing Finance Agency Stanton Glenn Apartments Mortgage Revenue Bonds Resolution of 1999", was approved effective July 6, 1999.

Resolution 13-184, the "District of Columbia Housing Finance Agency Widrich Court Apartments Mortgage Revenue Bonds Resolution of 1999", was approved effective July 6, 1999.

Resolution 13-185, the "District of Columbia Housing Finance Agency Garfield Park Apartments Mortgage Revenue Bonds Resolution of 1999", was approved effective July 6, 1999.

Resolution 13-219, the "District of Columbia Housing Finance Agency Fort Chaplin Park Apartments Mortgage Revenue Bonds Emergency Approval Resolution of 1999", was approved effective July 6, 1999.

Resolution 13-354, the "District of Columbia Housing Finance Agency Randolph Towers Apartments and Aspen Courts Apartments Mortgage Revenue Bonds Emergency Approval Resolution of 1999", was

approved effective November 2, 1999.

Resolution 13-356, the "District of Columbia Housing Finance Agency Congress Park I Apartments Mortgage Revenue Bonds Emergency Approval Resolution of 1999", was approved effective November 2, 1999.

#### *Miscellaneous Notes*

Superseding of Law 6-4: Section 3(b) of D.C. Law 6-44 provided that upon October 5, 1985, the act shall supersede the District of Columbia Housing Finance Agency Amendment Act Temporary Act of 1985, effective May 9, 1985 (D.C. Law 6-4).

Approval of Mount Vernon Plaza Apartments as eligible project for financing: Pursuant to Resolution 6-769, the "Mount Vernon Plaza Approval Resolution of 1986," effective July 8, 1986, the Council approved the Mount Vernon Plaza as an eligible project for financing.

Approval of 1986 Single-Family Forward Commitment Mortgage Purchase Program as eligible for financing: Pursuant to Resolution 6-770, the "Housing Finance Agency Single-Family Forward Commitment Mortgage Purchase Resolution of 1986," effective July 8, 1986, the Council approved the program as eligible for financing.

Approval of Jeffrey Gardens Apartments Project as eligible for financing: Pursuant to Resolution 7-203, the "District of Columbia Housing Finance Agency Jeffrey Gardens Apartments Project Approval Resolution of 1988", effective January 5, 1988, the Council approved the Jeffrey Gardens Apartments as an eligible project for financing.

Approval of Monroe Tower Apartments Project as eligible for financing: Pursuant to Resolution 7-205, the "District of Columbia Housing Finance Agency Monroe Towers Apartments Project Approval Resolution of 1988", effective January 5, 1988, the Council approved the Monroe Towers Apartments as an eligible project for financing.

Approval of Southern Gardens Apartments Project as eligible for financing: Pursuant to Resolution 7-206, the "District of Columbia Housing Finance Agency Southern Gardens Apartments Project Approval Resolution of 1988," effective January 5, 1988, the Council approved the Southern Gardens Apartments as an eligible project for financing.

Approval of Collateralized Single-Family Mortgage Purchase Program: Pursuant to Resolution 7-271, the "Housing Finance Agency Collateralized Single-Family Mortgage Purchase Resolution of 1988", effective May 31, 1988, the Council approved the Collateralized Single-Family Mortgage Purchase Program.

Approval of Supplemental Collateralized Single-Family Mortgage Purchase Program: Pursuant to Resolution 7-344, the "Housing Finance Agency Supplemental Collateralized Single-Family Mortgage Purchase Resolution of 1988", effective November 15, 1988, the Council approved the Supplemental Collateralized Single-Family Mortgage Purchase Program.

Approval of District of Columbia Housing Finance Agency's proposal for Massachusetts Courts Apartments: Pursuant to Resolution 8-70, the "District of Columbia Housing Finance Agency Massachusetts Courts Apartments Approval Resolution of 1989", effective June 27, 1989, the Council approved the District of Columbia Housing Finance Agency's proposal for the Massachusetts Courts Apartments.

Approval of Columbia Housing Finance Agency's proposal for Parkchester Apartments: Pursuant to Resolution 8-245, the "D.C. Housing Finance Agency Parkchester Apartments Resolution of 1990," effective July 27, 1990, the Council approved the District of Columbia Housing Finance Agency's proposal for the Parkchester Apartments.

District of Columbia Housing Finance Agency Chastleton Apartments Refunding Resolution of 1991: Pursuant to Resolution 9-67, effective June 14, 1991, the Council approved the District of Columbia Housing Finance Agency's proposal for the Chastleton Apartments.

District of Columbia Housing Finance Agency Mount Vernon Plaza Apartments Refunding Resolution of 1991: Pursuant to Resolution 9-68, effective June 14, 1991, the Council approved the District of Columbia Housing Finance Agency's proposal for the Mount Vernon Plaza Apartments.

District of Columbia Housing Finance Agency Carmel Plaza North Apartments Refunding Resolution of 1991: Pursuant to Resolution 9-69, effective June 14, 1991, the Council approved the District of Columbia Housing Finance Agency's proposal for the Carmel Plaza North Apartments.

District of Columbia Housing Finance Agency Parkchester Apartments Project Supplemental Financing Emergency Approval Resolution of 1991: Pursuant to Resolution 9-106, effective July 19, 1991, the Council approved, on an emergency basis, the District of Columbia Housing Finance Agency's supplemental proposal for the Parkchester Apartments.

Housing Finance Agency Savannah Park Apartments Approval Resolution of 1992: Pursuant to Resolution 9-322, effective July 24, 1992, the Council approved the District of Columbia Housing Finance Agency's proposal for the Savannah Park Apartments.

Housing Finance Agency Cloister (a.k.a. "Trinity" Apartments) Refunding Approval Emergency Resolution of 1993: Pursuant to Resolution 10-160, effective October 5, 1993, the Council approved, on an emergency

basis, the District of Columbia Housing Finance Agency's Proposal for the Cloister (a.k.a. "Trinity") Apartments.

Housing Finance Agency New Amsterdam Apartments Refunding Approval Emergency Resolution of 1993: Pursuant to Resolution 10-162, effective October 5, 1993, the Council approved, on an emergency basis, the District of Columbia Housing Finance Agency's proposal for the New Amsterdam Apartments.

District of Columbia Housing Finance Agency Tyler House Apartments Multi-Family Housing Revenue Bonds Approval Emergency Resolution of 1994: Pursuant to Resolution 10-493, effective December 6, 1994, the Council approved, on an emergency basis, the Housing Finance Agency's proposal for the Tyler House Apartments.

District of Columbia Housing Finance Agency Single Family Forward Commitment Mortgage Purchase Program Approval Emergency Resolution of 1994: Pursuant to Resolution 10-495, the Council approved, on an emergency basis, the Housing Finance Agency's proposal for the 1994 Single Family Forward Commitment Mortgage Purchase Program.

District of Columbia Housing Finance Agency Livingston Manor Apartments Multi-Family Mortgage Revenue Bonds Resolution of 1995: Pursuant to Proposed Resolution 11-60, deemed approved April 5, 1995, Council approved the District of Columbia Housing Finance Agency's proposal for the Livingston Manor Apartments.

District of Columbia Housing Finance Agency Benning Road Apartments Multi-Family Housing Revenue Bonds Emergency Approval Resolution of 1995: Pursuant to Resolution 11-80, effective June 6, 1995, the Council approved, on an emergency basis, the District of Columbia Housing Finance Agency's proposal for the Benning Road Apartments.

District of Columbia Housing Finance Agency Capitol Hill Towers Apartments Multi-family Mortgage Revenue Refunding Bonds Resolution of 1995: Pursuant to Resolution 11-162, effective November 7, 1995, the Council approved the District of Columbia Housing Finance Agency's proposal to refund the Capitol Hill Towers Apartment Project bonds.

District of Columbia Housing Agency 1995 Single Family Forward Commitment Mortgage Purchase Program Approval Emergency Resolution of 1995: Pursuant to Resolution 11-114, effective July 11, 1995, Council approved, on an emergency basis, District of Columbia Housing Finance Agency's proposal for the 1995 Single Family Forward Commitment Mortgage Purchase Program.

District of Columbia Housing Finance Agency Capitol Park Apartments Multi-Family Mortgage Revenue Bonds Resolution of 1995: Pursuant to Proposed Resolution 11-263, deemed approved, November 2, 1995, Counsel approved the District of Columbia Housing Finance Agency's proposal for the Capitol Park Apartments.

District of Columbia Housing finance Agency Dakotas Apartments Multi-Family Mortgage Revenue Bonds Resolution of 1995: Pursuant to Proposed Resolution 11- 264, deemed approved, November 2, 1995, Counsel approved the District of Columbia Housing Finance Agency's proposal for the Dakotas Apartments.

District of Columbia Housing Finance Agency Rockburne Estates Mortgage Revenue Bonds Resolution of 1997: Proposed Resolution 12-0422, the "District of Columbia Housing Finance Agency Rockburne Estates Mortgage Revenue Bonds Resolution of 1997" was deemed approved, effective Nov. 7, 1997.

District of Columbia Housing Finance Agency Haven House Cooperative Multi-Family Mortgage Revenue Bonds Resolution of 1997: Proposed Resolution 12-0422, the "District of Columbia Housing Finance Agency Haven House Cooperative Multi-Family Mortgage Revenue Bonds Resolution of 1997" was deemed approved, effective Nov. 7, 1997.

District of Columbia Housing Finance Agency 636 Cooperative Association for Tax Exempt Multi-Family Mortgage Revenue Bonds Resolution of 1998: Pursuant to Resolution 12-(PR12-592), effective April 1, 1998, the Council approved the District of Columbia Housing Finance Agency's proposal for the 636 Cooperative Association.

District of Columbia Housing Finance Agency Archbishop Rivera Y. Damas Cooperative, Inc. Tax-Exempt Multi-Family Mortgage Revenue Bonds Resolution of 1998: Pursuant to Resolution 12-(PR12-791), effective July 16, 1998, the Council approved the District of Columbia Housing Finance Agency's proposal for Archbishop Rivera Y. Damas Cooperative, Inc.

District of Columbia Housing Finance Agency Wheeler Creek Estates Tax-Exempt Multi-Family Mortgage Revenue Bonds Approval Emergency Resolution of 1998: Pursuant to Resolution 12-620, effective July 7, 1998, the Council approved, on an emergency basis, the District of Columbia Housing Finance Agency's Eligibility Resolution for the Wheeler Creek Estates.

Housing Finance Agency Randolph Street Apartments Tax-Exempt Multi-Family Mortgage Revenue Bonds Approval Resolution of 1998: Pursuant to Resolution 12- 747, effective November 10, 1998, the Council approved the District of Columbia Housing Finance Agency's proposal for the acquisition and rehabilitation of the Randolph Street Apartments in Ward 4.

Housing Finance Agency Fort Stevens Apartments Tax-Exempt Multi-Family Mortgage Revenue Bonds Approval Resolution of 1998: Pursuant to Resolution 12-748, effective November 10, 1998, the Council approved the District of Columbia Housing Finance Agency's proposal for the acquisition and rehabilitation of

the Fort Stevens Apartments in Ward 4.

Housing Finance Agency Burke Park Apartments Tax-Exempt Multi-Family Mortgage Revenue Bonds Approval Resolution of 1998: Pursuant to Resolution 12-749, effective November 10, 1998, the Council approved the District of Columbia Housing Finance Agency's proposal for the acquisition and rehabilitation of the Burke Park Apartments in Ward 2.

District of Columbia Housing Finance Agency Hamlin & 7th Street Apartments Tax-Exempt Multi-Family Mortgage Revenue Bonds Resolution of 1998: Pursuant to Resolution 12-750, effective November 10, 1998, the Council approved the District of Columbia Housing Finance Agency's proposal for the acquisition and rehabilitation of the Hamlin & 7th Street Apartments in Ward 5.

Finance Agency Stewart Glen Apartments Tax-Exempt Multi-Family Mortgage Revenue Bonds Approval Resolution of 1998: Pursuant to Resolution 12-751, effective November 10, 1998, the Council approved the District of Columbia Housing Finance Agency's proposal for the acquisition and rehabilitation of the Stewart Glen Apartments in Ward 8.

## **SUBCHAPTER III. OPERATIONS OF THE AGENCY.**

### **§ 42-2703.01. GENERAL POWERS.**

The Agency is hereby granted all powers necessary or convenient to effectuate its corporate purposes, including but not limited to, the following:

- (1) To have perpetual succession;
- (2) To sue and be sued in its own name;
- (3) To have an official seal and power to alter that seal at will;
- (4) To acquire (by purchase or otherwise), sell, construct, lease, improve, rehabilitate, repair and otherwise maintain an office or offices at such places within the District of Columbia as the Agency shall from time to time designate and to issue bonds or otherwise provide financing for such offices;
- (5) To adopt, amend and repeal bylaws, rules and regulations to carry out its purposes under this chapter;
- (6) To make and execute contracts and all other instruments for the performance of its duties under this chapter and contracts for or relating to the development, construction, rehabilitation, improvement, maintenance, repair, operation, and management of housing projects;
- (6A) To originate and service mortgage loans or contract for the origination and servicing of mortgage loans and loans.
- (7) To employ advisers, consultants, and agents including, but not limited to, financial advisers, appraisers, accountants and legal counsel, and to fix their compensation;
- (8) To collect reasonable interest, fees and charges in connection with making and servicing its loans, including State and Local Government Loans, notes, bonds, obligations, commitments and other evidences of indebtedness, and in connection with providing technical, consultative and project assistance services;
- (9) To procure insurance or self-insure against any loss in connection with its property and other assets, including mortgage loans, in such amounts and from such insurers as it deems desirable;
- (10) To borrow money and to issue bonds, notes or other obligations and to give security therefor;
- (11) To enter into agreements with the United States or any agency, department, instrumentality or political subdivision thereof, to provide that interest on any bonds, notes or other obligations of the Agency will be subject to federal income taxes;
- (12) To contract for and to receive contributions, gifts, grants, subsidies, and loans of money, property, labor or other things of value from any source to be used for the purpose of this chapter and subject to the conditions upon which the contributions, gifts, grants, subsidies, and loans are made;
- (13) To enter into agreements with any department, agency or instrumentality of the United States or the District and with sponsors and mortgage lenders for the purpose of planning, regulating and providing for the financing and refinancing, construction, reconstruction or rehabilitation, leasing, management, maintenance, operation, acquisition, sale or other disposition of any housing project undertaken with the assistance of the Agency under this chapter;
- (13A) To make state and local government loans and enter into such agreements with the respective Eligible State and Local Government Units for the purpose of making a State or Local Government Loan on such terms and conditions as the Agency determines to be appropriate;
- (14) To proceed with foreclosure action, to take assignments of leases and rentals, to acquire property

in lieu of foreclosure;

(15) To own, lease, clear, reconstruct, rehabilitate, improve, repair, maintain, manage, operate, assign, encumber, or sell or otherwise dispose of any real or personal property if:

(A) The property was obtained by the Agency due to the default of any obligation held by the Agency; and

(B) Repealed.

(15A) To acquire (by purchase or otherwise), own, lease, clear, construct, reconstruct, rehabilitate, improve, repair, maintain, manage, operate, assign, encumber, or sell or otherwise dispose of any real property; provided, that:

(A) The Agency shall not finance more than 4 housing projects in any one fiscal year; and

(B) The authority of the Agency to acquire properties by purchase or otherwise under this paragraph shall terminate on December 31, 2007; provided, that before that time the Agency may submit a request for renewal of authority;

(16) To invest any funds not required for immediate disbursement, including funds held in reserve, in investments; the income derived from the investment shall be deposited as provided in § 42-2704.11;

(17) To provide technical assistance to profit and nonprofit entities in the development or operation of housing for low and moderate income persons in accordance with § 42-1734; to gather and distribute data and information concerning the housing needs of low and moderate income persons within the District;

(18) To the extent permitted under its contract with the holders of bonds, notes and other obligations of the Agency, to consent to any modification with respect to rate of interest, time and payment of any installment of principal or interest, security or any other term of any contract, mortgage, mortgage loan, mortgage loan commitment, or contract or agreement of any kind to which the Agency is a party;

(19) To sell, at public or private sale, with or without public bidding, any mortgage or other obligation held by the Agency pursuant to regulations promulgated by the Agency;

(20) To make grants, or to convert loans to grants or to forgive loans, to make loans or mortgage loans, either directly or through mortgage lenders, for the purpose of assisting in developing, acquiring, constructing, rehabilitating or improving any housing project financing under this chapter;

(20A) To establish funds and reserves to provide additional security for loans provided for housing projects;

(20B) To enter into such contracts with government agencies that the Agency considers appropriate for housing projects;

(20C) To establish nonprofit and for-profit corporations, partnerships, limited liability companies, business trusts, and any other entities to act in furtherance of its general powers or purposes;

(20D) To establish such supportive programs as provided in § 42-2703.05; and

(21) To do any act necessary or convenient to the exercise of the powers granted by or reasonably implied from this chapter.

(Mar. 3, 1979, D.C. Law 2-135, § 301, 25 DCR 5008; Aug. 5, 1981, D.C. Law 4-28, § 2(j), 28 DCR 2848; Apr. 9, 1997, D.C. Law 11-255, § 50, 44 DCR 1271; Apr. 20, 1999, D.C. Law 12-247, § 2(h), 46 DCR 1100; Mar. 25, 2003, D.C. Law 14-239, § 2(c), 49 DCR 11162.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2121.

1973 Ed., § 45-1908.

##### *Effect of Amendments*

D.C. Law 14-239 rewrote par. (4); in par. (6), substituted "this chapter and contracts for or relating to the development, construction, rehabilitation, improvement, maintenance, repair, operation, and management of housing projects;" for "this chapter;"; in par. (15)(A), substituted "rehabilitate, improve" for "rehabilitate"; repealed par. (15)(B); added pars. (15A), (20A), (20B), (20C), and (20D); and made a nonsubstantive change to par. (20). Prior to amendments, pars. (4) and (15)(B) had read as follows:

"(4) To maintain, through purchase or lease, an office or offices at such place or places within the District as it may designate;"

"(B) The Agency's actions, as provided in this paragraph, are in preparation for disposition of such properties;"

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

Law 11-255, the "Second Technical Amendments Act of 1996," was introduced in Council and assigned Bill No. 11-905, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 7, 1996, and December 3, 1996, respectively. Signed by the Mayor on December 24, 1996, it was assigned Act No. 11-519 and transmitted to both Houses of Congress for its review. D.C. Law 11-255 became effective on April 9, 1997.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

For Law 14-239, see notes following § 42-2701.02.

#### *References in Text*

Section 42-1734, referred to in (17), was repealed March 10, 1983, by D.C. Law 4-209, § 34.

#### *Miscellaneous Notes*

Repayment to General Fund: Public Law 103-334, 108 Stat. 2577, the District of Columbia Appropriations Act, 1995, provided for economic development and regulation \$56,343,000; *provided that* the District of Columbia Housing Finance Agency, established by § 42-2702.01, based upon its capability of repayments as determined each year by the Council of the District of Columbia from the Housing Finance Agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative costs plus interest at a rate of four % per annum for a term of 15 years, with a deferral of payments for the first three years; *provided further*, that notwithstanding the foregoing provision, the obligation to repay all or part of the amounts due shall be subject to the rights of the owners of any bonds or notes issued by the Housing Finance Agency and shall be repaid to the District of Columbia government only from available operating revenues of the Housing Finance Agency that are in excess of the amounts required for debt service, reserve funds, and operating expenses; *provided further*, that upon commencement of the debt service payments, such payments shall be deposited into the general fund of the District of Columbia.

## **§ 42-2703.02. FINANCING OF HOUSING PROJECTS.**

(a) The Agency may make, issue commitments for, participate in making loans or mortgage loans to sponsors for the financing of housing projects for eligible persons. Such housing projects shall comply with all applicable requirements regarding tenant income mixtures, tenant income, the number of units reserved for very-low, low and moderate income persons, and other requirements established by the Internal Revenue Service, the Department of Housing and Urban Development or other laws, rules and guidelines applicable under the Agency's plan of financing.

(b) The Agency when purchasing property shall issue only bonds that are government entity bonds of the Agency or 501(c)(3) bonds created by the Agency for the specific purpose of undertaking a development project.

(Mar. 3, 1979, D.C. Law 2-135, § 302, 25 DCR 5008; Aug. 5, 1981, D.C. Law 4-28, § 2(k), 28 DCR 2848; Aug. 1, 1985, D.C. Law 6-15, § 8(b), 32 DCR 3570; Oct. 5, 1985, D.C. Law 6-44, § 2(e), 32 DCR 4487; Apr. 20, 1999, D.C. Law 12-247, § 2(i), 46 DCR 1100; Mar. 25, 2003, D.C. Law 14-239, § 2(d), 49 DCR 11162.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2122.

1973 Ed., § 45-1909.

##### *Effect of Amendments*

D.C. Law 14-239 designated the existing text as subsection (a); and added subsec. (b).

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

For legislative history of D.C. Law 6-15, see Historical and Statutory Notes following § 42-2702.02.

For legislative history of D.C. Law 6-44, see Historical and Statutory Notes following § 42-2702.07.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

For Law 14-239, see notes following § 42-2701.02.



## **§ 42-2703.03. FINANCING OF HOMEOWNERSHIP PROGRAMS.**

The Agency may invest in, purchase, make commitments to purchase, take assignments from mortgage lenders, originate, and service mortgage loans either directly or through mortgage lenders pursuant to criteria established by the Agency under a Homeownership program. Such criteria shall comply with the requirements of the Internal Revenue Service, the Department of Housing and Urban Development or other laws, rules and guidelines applicable under the Agency's plan of financing.

(Mar. 3, 1979, D.C. Law 2-135, § 303, 25 DCR 5008; Aug. 5, 1981, D.C. Law 4-28, § 2(l)-(n), 28 DCR 2848; Apr. 20, 1999, D.C. Law 12-247, § 2(j), 46 DCR 1100.)

### *HISTORICAL AND STATUTORY NOTES*

#### *Prior Codifications*

1981 Ed., § 45-2123.

1973 Ed., § 45-1910.

#### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

## **§ 42-2703.04. LOANS TO MORTGAGE LENDERS; REQUIREMENTS FOR REINVESTMENT OF PROCEEDS BY LENDER.[REPEALED]**

(1973 Ed., § 45-1911; Mar. 3, 1979, D.C. Law 2-135, § 304, 25 DCR 5008; Aug. 5, 1981, D.C. Law 4-28, § 2(o), 28 DCR 2848; June 11, 1992, D.C. Law 9-118, § 7, 39 DCR 3189; Apr. 18, 1996, D.C. Law 11-110, § 49, 43 DCR 530; Mar. 20, 1998, D.C. Law 12-60, § 1101, 44 DCR 7378; Apr. 20, 1999, D.C. Law 12-247, § 2(k), 46 DCR 1100.)

### *HISTORICAL AND STATUTORY NOTES*

#### *Prior Codifications*

1981 Ed., § 45-2124.

1973 Ed., § 45-1911.

#### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

Law 9-118, the "District of Columbia Government Employer-Assisted Housing Act of 1992," was introduced in Council and assigned Bill No. 9-210, which was referred to the Committee on Housing. The Bill was adopted on first and second readings on March 3, 1992, and April 7, 1992, respectively. Signed by the Mayor on April 24, 1992, it was assigned Act No. 9-192 and transmitted to both Houses of Congress for its review. D.C. Law 9-118 became effective on June 11, 1992.

Law 11-110, the "Technical Amendments Act of 1996," was introduced in Council and assigned Bill No. 11-485, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on December 5, 1995, and January 4, 1996 respectively. Signed by the Mayor on January 26, 1996, it was assigned Act No. 11-199 and transmitted to both Houses of Congress for its review. D.C. Law 11-110 became effective on April 18, 1996.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

## **§ 42-2703.05. SUPPORTIVE PROGRAMS.**

(a) The Agency may establish, administer or contract for the administration of any program which assists sponsors or eligible persons, "or Eligible State or Local Government Units", as determined by the Agency consistent with the declarations of policy under § 42-2701.01 and the delegation of authority under § 42-2702.06.

(b) The Agency may establish, administer, or contract for the administration of any program that involves providing loans or other financial assistance directly by the Agency or by an entity established by the Agency under this chapter or indirectly through an Agency-approved financial institution, to persons residing within any state or political subdivision thereof within the meaning of section 103 of the Internal Revenue Code of 1986, approved August 16, 1954 (68A Stat. 29; 26 U.S.C. § 103) (or successor

provisions), which loan or other financial assistance is eligible for, or made in conjunction with the provision of, mortgage insurance under any program of the Department of Housing and Urban Development or meets the guidelines established by Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Veterans Affairs, or the Rural Development Agency, and which loan or other financial assistance will result in the generation of revenues that will benefit programs authorized under this chapter.

(Mar. 3, 1979, D.C. Law 2-135, § 305, 25 DCR 5008; Apr. 20, 1999, D.C. Law 12-247, § 2(l), 46 DCR 1100; Mar. 25, 2003, D.C. Law 14-239, § 2(e), 49 DCR 11162.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2125.

1973 Ed., § 45-1912.

##### *Effect of Amendments*

D.C. Law 14-239 designated the existing text as subsection (a); and added subsec. (b).

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

For Law 14-239, see notes following § 42-2701.02.

### **§ 42-2703.06. RULEMAKING.**

The Agency shall establish rules and regulations to effectuate the purposes of this chapter.

(Mar. 3, 1979, D.C. Law 2-135, § 306, 25 DCR 5008; Apr. 20, 1999, D.C. Law 12-247, § 2(m), 46 DCR 1100.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2126.

1973 Ed., § 45-1913.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

### **§ 42-2703.07. TECHNICAL ASSISTANCE, LOANS, GRANTS AND CONSULTANT SERVICES.**

The Agency may provide eligible persons, sponsors or such individual, private or public corporation, association, group, organization, Eligible State or Local Government Unit, or any other entity with technical assistance, loans, grants or consultant services consistent with the authority of this chapter.

(Mar. 3, 1979, D.C. Law 2-135, § 307, 25 DCR 5008; Apr. 20, 1999, D.C. Law 12-247, § 2(n), 46 DCR 1100.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2127.

1973 Ed., § 45-1914.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

### **§ 42-2703.08. EXEMPTION FROM RENT CONTROL.**

(a) Housing projects assisted by the Agency or through the auspices of the Agency under the provisions of this chapter shall be exempt from the provisions of Chapter 35 of this title.

(b) The Agency shall establish, by rulemaking, procedures for evictions and protections from retaliatory action for tenants of housing projects exempted from Chapter 35 of this title under subsection (a) of this section. Such procedures and protections shall be in accordance with subchapter V of Chapter 35 of this title.

(c) The Agency shall establish, by rulemaking, conditions and procedures for relocation assistance to tenants displaced from housing projects which are exempted from Chapter 35 of this title under subsection (a) of this section. Such conditions and procedures shall be in accordance with subchapter VII of Chapter 35 of this title.

(d) Each owner of a rental accommodation subject to the provisions of this chapter shall file simultaneously with the Agency and with the Rental Housing Commission an exemption statement which shall contain the following information:

(1) The actual rent for each rental unit in the accommodation, the services included, and the facilities and charges therefor;

(2) The number of bedrooms in the rental accommodation; and

(3) A list of any outstanding violations of the Housing Regulations of the District of Columbia, issued August 11, 1955 (C.O. 55-1503), applicable to such accommodation.

(e) Tenants of housing projects exempted by this chapter from Chapter 35 of this title, who, except for such exemption, would be eligible for rent supplements under subchapter III of Chapter 35 of this title, shall have the same rights to such supplements as tenants residing in a project subject to Chapter 35 of this title.

(f) Prior to the execution of a lease or other rental agreement, a prospective tenant of any unit shall receive notice in writing advising him or her that rent increases for the accommodation are not regulated by Chapter 35 of this title.

(Mar. 3, 1979, D.C. Law 2-135, § 308, 25 DCR 5008; Aug. 5, 1981, D.C. Law 4-28, § 2(p), 28 DCR 2848; Oct. 5, 1985, D.C. Law 6-44, § 2(f), 32 DCR 4487.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2128.

1973 Ed., § 45-1915.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

For legislative history of D.C. Law 6-44, see Historical and Statutory Notes following § 42-2702.07.

## **SUBCHAPTER IV. FINANCIAL AFFAIRS OF THE AGENCY.**

### **§ 42-2704.01. RECEIPT OF FUNDS; DISPOSITION THEREOF.**

In connection with the exercise of its powers under this chapter, the Agency may receive gifts, grants, appropriations, loans, bond or note proceeds, or other funds, property or other assets, or any other type of financial assistance from any federal, District, private, or other source and may utilize such funds as determined by rules issued by the Board. Such rules shall also govern the establishment of, administration of, and expenditure from, reserve funds. The source of such funds and the use thereof shall be a part of the annual reporting requirement of § 42-2705.03. The rules shall be submitted to the Chairman of the Council for review on the same day as the rules are transmitted for publication to the District of Columbia Register.

(Mar. 3, 1979, D.C. Law 2-135, § 401, 25 DCR 5008; Aug. 5, 1981, D.C. Law 4-28, § 2(q), 28 DCR 2848.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2131.

1973 Ed., § 45-1916.

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

*Miscellaneous Notes*

Repayment by D.C. Housing Finance Agency: Section 147 of Pub. Law 104-194 provided that, notwithstanding any other law, the District of Columbia Housing Finance Agency, shall not be required to repay moneys advanced by the District government (including accrued interest thereon) pursuant to Congressional appropriations for fiscal years 1980 through 1992.

## **§ 42-2704.01A. REPAYMENT OF FUNDS.**

The Agency shall not be required to repay moneys advanced by the District government (including accrued interest thereon) pursuant to Congressional appropriations for fiscal years 1980 through 1992, and any obligation to repay these moneys shall be forgiven.

(Mar. 3, 1979, D.C. Law 2-135, § 401a, as added Apr. 9, 1997, D.C. Law 11-197, § 3, 43 DCR 4567.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 45-2131.1.

*Legislative History of Laws*

Law 11-197, the "Housing Finance Agency Loan Forgiveness Amendment Act of 1996," was introduced in Council and assigned Bill No. 11-537, which was referred to the Committee on Housing and Urban Affairs. The Bill was adopted on first and second readings on June 4, 1996, and July 3, 1996, respectively. Signed by the Mayor on July 26, 1996, it was assigned Act No. 11-359 and transmitted to both Houses of Congress for its review. D.C. Law 11-197 became effective April 9, 1997.

*Effective Dates*

Section 5 of D.C. Law 11-197 provided that the act shall take effect on the latter of: (1) following approval by the Mayor (or the Council in the event of a veto override), approval by the Financial Responsibility and Management Assistance Authority as provided in § 47-392.03(a), and a 30-day period of Congressional review as provided in § 1-233 (c)(1), and publication in the District of Columbia Register; or (2) enactment by Congress of legislation providing that the moneys advanced to the agency pursuant to congressional appropriations need not be repaid to the General Fund of the District of Columbia.

*Miscellaneous Notes*

Repayment by D.C. Housing Finance Agency: Section 147 of Pub. Law 104-194 provided that, notwithstanding any other law, the District of Columbia Housing Finance Agency, shall not be required to repay moneys advanced by the District government (including accrued interest thereon) pursuant to Congressional appropriations for fiscal years 1980 through 1992.

## **§ 42-2704.02. ISSUANCE OF BONDS AND NOTES; RENEWALS AND REFUNDS; DEEMED OBLIGATIONS OF AGENCY; NEGOTIABLE INSTRUMENTS; DIRECTOR, EMPLOYER, OR AGENT NOT PERSONALLY LIABLE.**

(a) *Borrowing authority.* -- The Agency may, by resolution, authorize the issuance of bonds and notes or other obligations ("bonds or notes") for undertakings authorized by this chapter. In addition, the Agency may issue notes to renew notes and bonds to pay notes, including, the interest thereon. Whenever expedient, the Agency may refund bonds, including bonds previously issued by other than the Agency, by the issuance of new bonds, regardless of whether the bonds to be refunded have matured. The Agency is the successor to any and all District of Columbia Section 11(b) bond issuing authority. The Agency may also issue bonds for a combination of refund, renewal, and financing programs authorized by this chapter.

(b) *Obligations of the Agency.* -- Except as expressly provided otherwise by the Agency, bonds and notes of the Agency are obligations payable solely from revenues derived from the respective housing projects which such obligations are issued to finance, provided that bonds and notes of the Agency issued, in whole or in part, for the purpose of enabling the Agency to make State and Local Government Loans are obligations payable solely, to the extent issued for such purpose, from revenues derived from repayment of State and Local Government Loans made from proceeds of such bonds and notes. The Agency may expressly provide additional security by pledge or contribution from any source in accordance with § 1-204.71.

(c) *Negotiable instruments.* -- Regardless of their form or character, bonds and notes of the Agency are negotiable instruments for all purposes of the Uniform Commercial Code of the District of Columbia (§ 28:1-101 et seq.), subject only to the provisions of the bonds and notes for registration.

(d) *No personal liability.* -- No director, employee or agent of the Agency is personally liable solely because a bond, note or other obligation is issued. The Agency shall indemnify any person who shall have served as a commissioner, officer, or employee of the Agency against financial loss or litigation expense arising out of or in connection with any claim or suit involving allegations that pecuniary harm has been sustained as a result of any transaction authorized by this chapter, unless such person is found by a final judicial determination not to have acted in good faith and for a purpose which he reasonably believed to be lawful and in the best interest of the Agency.

(e) *Compliance required.* -- The issuance and performance of bonds, notes, and other obligations by the Agency as contemplated in this chapter and the adoption of resolutions authorizing such bonds, notes, and other obligations shall be done in compliance with the requirements of this chapter, but shall not be subject to Chapter 5 of Title 2 and, except as otherwise provided in the chapter, shall not be required to comply with the requirements of any legislation passed by the Council. No notice (except as provided in this section), proceeding, consent, or approval shall be required for the issuance or performance of any bond, note, or other obligation of the Agency or the execution of any instrument relating thereto or to the security therefor, except as provided in this chapter or in rules and regulations promulgated by the Agency. Notice of the adoption of a bond resolution shall be given to the Mayor and the Council before the adoption of such resolution.

(Mar. 3, 1979, D.C. Law 2-135, § 402, 25 DCR 5008; Aug. 5, 1981, D.C. Law 4-28, § 2(r), 28 DCR 2848; Apr. 20, 1999, D.C. Law 12-247, § 2(o), 46 DCR 1100.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2132.

1973 Ed., § 45-1917.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

### **§ 42-2704.03. TERMS FOR SALE OF BONDS AND NOTES; EFFECT OF RESOLUTION AUTHORIZING SALE; PLEDGE OF AGENCY AND LIEN THEREON; SIGNATURE VALID AFTER OFFICEHOLDER VACATES.**

(a) *General.* -- The Agency may stipulate by resolution the terms for sale of its bonds and notes in accordance with this chapter, including the following:

- (1) The date a bond or note bears;
- (2) The date a bond or note matures; provided, that notes shall not mature later than 10 years from the date of original issuance and bonds shall not mature later than 50 years from the date of original issuance;
- (3) Whether bonds are issued as serial bonds, as term bonds, or as a combination of the 2;
- (4) The denomination;
- (5) The interest rate or rates, or variable rate or rates changing from time to time in accordance with a base or formula;
- (6) The registration privileges;
- (7) The medium and method for payment; and
- (8) The terms of redemption.

(b) *Public or private sale.* -- The Agency may sell its bonds or notes at public or private sale and may determine the price for sale.

(c) *Additional provisions part of contract.* -- If the resolution authorizing the sale of bonds or notes contains any of the provisions listed below, the provisions must also be part of the contract with holders of the bonds or notes. The provisions in the resolution may include the following:

- (1) The custody, security, expenditure or application of proceeds of the sale of bonds or notes of the Agency (hereinafter "proceeds"), a pledge of the proceeds to secure payment, and the rank or priority of the pledge, subject to preexisting agreements with holders of bonds or notes;

- (2) The pledge of revenue securing payment;
- (3) A pledge of assets of the Agency, including mortgages and obligations securing mortgages, to secure payment, and the rank or priority of the pledge, subject to preexisting agreements with holders of bonds or notes;
- (4) Use of gross income from mortgages owned by the Agency and payment on principal of mortgages owned by the Agency;
- (5) Use of reserves or sinking funds;
- (6) Use of proceeds from sale of bonds or notes and a pledge of proceeds to secure payment;
- (7) Limitation of issuance of additional bonds or notes, including terms of issuance and security, and the refunding of outstanding or other bonds or notes;
- (8) Procedure for amendment or abrogation of a contract with holders of bonds or notes, the amount of bonds or notes, the holders of which must consent to the amendment, and the manner in which consent may be given;
- (9) Vesting in a trustee property, power and duties, which may include the power and duties of a trustee appointed by holders of bonds or notes under this chapter;
- (10) Limitation or abrogation of the right of holders of bonds or notes to appoint a trustee under this chapter;
- (11) Defining the nature of default in the obligations of the Agency to the holders of bonds or notes and providing rights and remedies of holders in the event of default, including the right to appointment of a receiver, in accordance with the general laws of the District and this chapter; and
- (12) Any other provisions of like or different character which affect the security of holders of bonds or notes.

(d) *Pledge of the Agency.* -- A pledge of the Agency is binding from the time it is made. Any funds or property pledged are subject to the lien of a pledge without physical delivery. The lien of a pledge is binding as against parties having any tort, contract or other claim against the Agency regardless of notice. Neither the resolution nor any other instrument creating a pledge need be recorded.

(e) *Signature.* -- The signature of any officer of the Agency which appears on a bond or note remains valid if that person ceases to hold that office.

(Mar. 3, 1979, D.C. Law 2-135, § 403, 25 DCR 5008; Aug. 5, 1981, D.C. Law 4-28, § 2(s), 28 DCR 2848; Apr. 20, 1999, D.C. Law 12-247, § 2(p), 46 DCR 1100.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2133.

1973 Ed., § 45-1918.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

### **§ 42-2704.04. TRUST INDENTURE TO SECURE BONDS OR NOTES; PROVISIONS PROTECTING HOLDERS; EXPENSES TREATED AS OPERATING EXPENSES.**

(a) *Authority.* -- The Agency may secure bonds, notes, or other obligations by a trust indenture between the Agency and a corporate trustee which has the authority to exercise corporate trust powers within the District.

(b) *Provisions.* -- A trust indenture of the Agency may contain provisions for protecting and enforcing the rights and remedies of holders of bonds or notes in accordance with the provisions of the resolution authorizing the sale of bonds or notes.

(c) *Expenses.* -- The Agency may treat expenses incurred in carrying out a trust indenture as operating expenses.

(Mar. 3, 1979, D.C. Law 2-135, § 404, 25 DCR 5008; Apr. 20, 1999, D.C. Law 12-247, § 2(q), 46 DCR 1100.)

#### *HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 45-2134.

1973 Ed., § 45-1919.

*Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

**§ 42-2704.05. AGENCY'S PURCHASE OF ITS OWN BONDS AND NOTES; MAXIMUM PRICE.**

Subject to pre-existing agreements with the holders of bonds, notes, or other obligations, the Agency may purchase its own bonds, notes, or other obligations which may then be cancelled upon such terms and conditions as established by the Agency.

(1) If the bonds, notes, or other obligations are redeemable, the price cannot exceed the redemption price then applicable plus accrued interest to the next interest payment; or

(2) If the bonds, notes, or other obligations are not redeemable, the price cannot exceed the redemption price applicable on the 1st date after the purchase upon which the bonds, notes or other obligations become subject to redemption plus accrued interest to that date.

(Mar. 3, 1979, D.C. Law 2-135, § 405, 25 DCR 5008; Apr. 20, 1999, D.C. Law 12-247, § 2(r), 46 DCR 1100.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 45-2135.

1973 Ed., § 45-1920.

*Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

**§ 42-2704.06. SPECIAL OR RESERVE FUNDS; MANAGEMENT AND INVESTMENT OF FUNDS.**

The Agency may establish special or reserve funds in furtherance of its authority under this chapter. Notwithstanding other provisions of District law and subject to agreements with holders of bonds and notes, the Agency shall manage its own funds, and may invest funds not required for disbursement in a manner the Agency determines prudent and in accordance with § 42-2704.13.

(Mar. 3, 1979, D.C. Law 2-135, § 406, 25 DCR 5008; Mar. 8, 1984, D.C. Law 5-50, § 3(a), 30 DCR 5916; Mar. 16, 1993, D.C. Law 9-185, § 3(a), 39 DCR 8221; June 28, 1994, D.C. Law 10-134, § 4(a), 41 DCR 2597; Apr. 18, 1996, D.C. Law 11-110, § 62, 43 DCR 530.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 45-2136.

1973 Ed., § 45-1921.

*Temporary Amendments of Section*

For temporary (225 day) amendment of section, see § 4(a) of South Africa Sanctions Repeal Act 1993 (D.C. Law 10-75, March 8, 1994, law notification 41 DCR 1518).

*Emergency Act Amendments*

For temporary amendment of section, see § 4(a) of the South Africa Sanctions Emergency Repeal Act of 1993 (D.C. Act 10-127, October 25, 1993, 40 DCR 7583) and § 4(a) of the South Africa Sanctions Congressional Recess Emergency Repeal Act of 1994 (D.C. Act 10-176, January 25, 1994, 41 DCR 512).

*Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

Law 5-50, the "Prohibition of the Investment of Public Funds in Financial Institutions and Companies Making Loans to or Doing Business with the Republic of South Africa or Namibia Act of 1983," was introduced in Council and assigned Bill No. 5-18, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on September 6, 1983, and October 4, 1983, respectively. Signed by the Mayor on November 9, 1983, it was assigned Act No. 5-76 and transmitted to both Houses of Congress for its review.

For legislative history of D.C. Law 9-185, see Historical and Statutory Notes following § 42-2704.13.

Law 10-134, the "South Africa Sanctions Repeal Act of 1994," was introduced in Council and assigned Bill No. 10-427, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on March 1, 1994, and April 12, 1994, respectively. Signed by the Mayor on April 28, 1994, it was assigned Act No. 10-234 and transmitted to both Houses of Congress for its review. D.C. Law 10-134 became effective on June 28, 1994.

For legislative history of D.C. Law 11-110, see Historical and Statutory Notes following § 42-2703.04.

#### *Delegation of Authority*

Delegation of authority under D.C. Law 9-185, "Public Funds Investment Policy in Financial Institutions and Companies Making Loans to or Doing Business with Northern Ireland Amendment Act of 1992", see Mayor's Order 93-76, June 16, 1993.

### **§ 42-2704.07. NO LIMITATION, ALTERATION, OR IMPAIRMENT OF RIGHTS AND REMEDIES OF BONDHOLDERS AND NOTEHOLDERS.**

The District pledges to the holders of any bonds or notes issued under this chapter that the District will not limit or alter rights vested in the Agency to fulfill agreements made with the holders thereof, or in any way impair the rights and remedies of such holders until the bonds and notes, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of such holders are fully met and discharged. The Agency is authorized to include this pledge of the District in any agreement with the holders of bonds or notes.

(Mar. 3, 1979, D.C. Law 2-135, § 407, 25 DCR 5008.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2137.

1973 Ed., § 45-1922.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

### **§ 42-2704.08. FAITH AND CREDIT AND TAXING POWER OF DISTRICT NOT PLEDGED ON OBLIGATION; STATEMENT THERETO.**

Bonds, notes, and other obligations issued under the provisions of this chapter do not constitute an obligation of the District, but are payable solely from the revenues or assets of the Agency. Each bond, note, or other obligation issued under this chapter must contain on its face a statement that the Agency is not obligated to pay principal or interest except from the revenues or assets pledged and that neither the faith and credit nor the taxing power of the District is pledged to the payment of the principal or interest on a bond, note, or other obligation.

(Mar. 3, 1979, D.C. Law 2-135, § 408, 25 DCR 5008; Apr. 20, 1999, D.C. Law 12-247, § 2(s), 46 DCR 1100.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2138.

1973 Ed., § 45-1923.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.



## **§ 42-2704.09. BONDS AND NOTES AS LEGAL INVESTMENTS AND SECURITIES.**

The bonds and notes of the Agency are legal investments in which public officers and public bodies of the District, insurance companies and associations and other persons carrying on an insurance business, banks, bankers, banking institutions including savings and loan associations, building and loan associations, trust companies, savings banks and savings associations, investment companies and other persons carrying on a banking business, administrators, guardians, executors, trustees, and other fiduciaries and other persons authorized to invest in bonds or in other obligations of the District, may legally invest funds, including capital, in their control. The bonds and notes are also securities which legally may be deposited with and received by public officers and public bodies of the District or any agency of the District for any purpose for which the deposit of bonds or other obligations of the District is authorized by law.

(Mar. 3, 1979, D.C. Law 2-135, § 409, 25 DCR 5008.)

### *HISTORICAL AND STATUTORY NOTES*

#### *Prior Codifications*

1981 Ed., § 45-2139.

1973 Ed., § 45-1924.

#### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

## **§ 42-2704.10. DISTRICT TAX EXEMPTIONS; PAYMENTS IN LIEU; EXCEPTIONS.**

(a) Assets and income of the Agency or of any entity established by the Agency pursuant to § 42-2703.01(20C) are exempt from District taxation. The Agency may make, at its discretion, payment in lieu of taxation.

(b) Bonds and notes issued by the Agency and the interest thereon are exempt from District taxation except estate, inheritance, and gift taxes.

(Mar. 3, 1979, D.C. Law 2-135, § 410, 25 DCR 5008; Mar. 25, 2003, D.C. Law 14-239, § 2(f), 49 DCR 11162.)

### *HISTORICAL AND STATUTORY NOTES*

#### *Prior Codifications*

1981 Ed., § 45-2140.

1973 Ed., § 45-1925.

#### *Effect of Amendments*

D.C. Law 14-239, in subsec. (a), substituted "of the Agency or of any entity established by the Agency pursuant to § 42-2703.01(20C)" for "of the Agency".

#### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For Law 14-239, see notes following § 42-2701.02.

## **§ 42-2704.11. DEPOSITS; PAYMENTS OUT OF ACCOUNTS; CONTRACTS INVOLVING MONIES HELD IN TRUST OR OTHERWISE FOR PAYMENT OF NOTES OR BONDS.**

(a) All monies of the Agency, except as otherwise authorized in this chapter, shall be deposited as soon as practicable in 1 or more separate accounts in financial institutions regulated or insured by a federal or District agency. Monies in these accounts shall be paid out on checks signed by the Executive Director or other authorized officers or employees of the Agency.

(b) Notwithstanding the provisions of this section, the Agency shall have power to contract with the holders of its notes or bonds as to the custody, collection, securing, investment, and payment of any monies of the Agency and of any monies held in trust or otherwise for the payment of notes or bonds. Monies held in trust pursuant to a contract with holders of notes or bonds may be secured in the same manner as monies of the Agency.

(Mar. 3, 1979, D.C. Law 2-135, § 411, 25 DCR 5008.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 45-2141.

1973 Ed., § 45-1926.

*Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

**§ 42-2704.12. INVESTMENT OF FUNDS WITH FINANCIAL INSTITUTION OR COMPANY DOING BUSINESS WITH REPUBLIC OF SOUTH AFRICA.[REPEALED]**

(June 28, 1994, D.C. Law 10-134, § 4(b), 41 DCR 2597.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 45-2142.

*Legislative History of Laws*

For legislative history of D.C. Law 10-134, see Historical and Statutory Notes following § 42-2704.06.

**§ 42-2704.13. INVESTMENT OF FUNDS WITH FINANCIAL INSTITUTION OR COMPANY DOING BUSINESS WITH NORTHERN IRELAND.**

(a) For the purposes of this section, the term "agency funds" means all monies managed and all funds established pursuant to §§ 42-2704.06 and 42-2704.11.

(b)(1) Agency funds invested in stocks, securities, or other obligations of any institution or company doing business in or with Northern Ireland or with agencies or instrumentalities of Northern Ireland shall be invested to reflect advances to eliminate discrimination made by these institutions and companies pursuant to paragraph (2) of this subsection.

(2) The Mayor shall consider the following criteria, referred to as the MacBride Principles, to determine the advances to eliminate discrimination made by companies and institutions doing business in or with Northern Ireland or with agencies or instrumentalities of Northern Ireland:

(A) Increasing the representation of individuals from underrepresented religious groups on the work force, including managerial, supervisory, administrative, clerical, and technical jobs;

(B) Providing adequate security for the protection of minority employees both at the workplace and while traveling to and from work;

(C) Banning provocative religious or political emblems from the workplace;

(D) Publicly advertising all job openings and making special recruitment efforts to attract applicants from underrepresented religious groups;

(E) Providing that layoff, recall, and termination procedures should not in practice favor particular religious groups;

(F) Abolishing job reservations, apprenticeship restrictions, and differential employment criteria that discriminate on the basis of religion or ethnic origin;

(G) Developing training programs that will prepare substantial numbers of current minority employees for skilled jobs, including the expansion of existing programs and the creation of new programs to train, upgrade, and improve the skills of minority employees;

(H) Establishing procedures to assess, identify, and actively recruit minority employees with potential for further advancement; and

(I) Appointing senior management staff members to oversee affirmative action efforts and setting up timetables to carry out affirmative action principles.

(3) On or before the 1st day of October of each year, the Mayor shall determine the existence of affirmative action taken by all institutions and companies doing business in or with Northern Ireland, in which agency funds are or will be invested, in adhering to the MacBride Principles as enumerated in paragraph (2) of this subsection and provide an annual report of his or her findings for presentation to

the Council, which report shall be made available for public inspection.

(Mar. 3, 1979, D.C. Law 2-135, § 413, as added Mar. 16, 1993, D.C. Law 9- 185, § 3(b), 39 DCR 8221.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2143.

##### *Legislative History of Laws*

Law 9-185, the "Public Funds Investment Policy in Financial Institutions and Companies Making Loans to or Doing Business with Northern Ireland Amendment Act of 1992," was introduced in Council and assigned Bill No. 9-311, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on July 7, 1992, and October 6, 1992, respectively. Signed by the Mayor on November 2, 1992, it was assigned Act No. 9-350 and transmitted to both Houses of Congress for its review. D.C. Law 9- 185 became effective on March 16, 1993.

## **SUBCHAPTER V. PUBLIC ACCOUNTABILITY.**

### **§ 42-2705.01. AGENCY ACTIONS GOVERNED BY ADMINISTRATIVE PROCEDURE ACT.**

Except as provided in subsection (e) of § 42-2704.02, all actions of the Agency shall be conducted in accordance with the District of Columbia Administrative Procedure Act (§ 2-501 et seq.).

(Mar. 3, 1979, D.C. Law 2-135, § 501, 25 DCR 5008; Aug. 5, 1981, D.C. Law 4-28, § 2(t), 28 DCR 2848.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2151.

1973 Ed., § 45-1927.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

### **§ 42-2705.02. ADVISORY COMMITTEES.**

The Agency, from time to time, may establish advisory committees or groups to advise the Agency with respect to matters the Agency shall designate and may appoint persons to serve on such advisory committees or groups as the Agency may deem necessary consistent with the provisions of this chapter. The function of such committees or groups shall be solely advisory in nature, and no such committee or group shall have authority to act for, or on behalf, of the Agency.

(Mar. 3, 1979, D.C. Law 2-135, § 502, 25 DCR 5008; Aug. 5, 1981, D.C. Law 4-28, § 2(u), 28 DCR 2848; Apr. 20, 1999, D.C. Law 12-247, § 2(t), 46 DCR 1100.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2152.

1973 Ed., § 45-1928.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

For legislative history of D.C. Law 12-247, see Historical and Statutory Notes following § 42-2701.01.

### **§ 42-2705.03. ANNUAL REPORT BY AGENCY; CONTENTS.**

The Agency shall, within 90 days of the end of each fiscal year, submit an annual report of its activities for the preceding year to the Mayor, the Council, and the Advisory Board. The report shall set forth a complete

operating financial statement of the Agency during the fiscal year it covers, its housing program operations and accomplishments, the names of all new employees and their pay schedules, titles, and place of residence, its plans for the succeeding fiscal year, and its recommendations for needed action on the part of the Mayor or Council, with respect to the purposes of the Agency.

(Mar. 3, 1979, D.C. Law 2-135, § 503, 25 DCR 5008; Feb. 6, 2008, D.C. Law 17-108, § 215(b), 54 DCR 10993; Mar. 25, 2009, D.C. Law 17-353, § 223(g), 56 DCR 1117.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2153.

1973 Ed., § 45-1929.

##### *Effect of Amendments*

D.C. Law 17-108 substituted "accomplishments, and the names of all new employees and their pay schedules, titles, and place of residence," for "accomplishments,".

D.C. Law 17-353 substituted "the names" for "and the names".

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

For Law 17-108, see notes following § 42-2702.03.

For Law 17-353, see notes following § 42-1103.

### **§ 42-2705.04. AGENCY TO ARRANGE ANNUAL AUDIT; TRANSMISSION TO MAYOR AND COUNCIL.**

The Agency shall contract at least once each year with an independent certified public accountant to audit the books and accounts of the Agency. The Agency shall transmit the audit to the Mayor and Council within 10 days of receipt.

(Mar. 3, 1979, D.C. Law 2-135, § 504, 25 DCR 5008.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2154.

1973 Ed., § 45-1930.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

## **SUBCHAPTER VI. MISCELLANEOUS PROVISIONS.**

### **§ 42-2706.01. LIBERAL CONSTRUCTION OF CHAPTER.**

The provisions of this chapter are to be liberally construed so as to effectuate those powers which are specifically enumerated.

(Mar. 3, 1979, D.C. Law 2-135, § 601, 25 DCR 5008.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2161.

1973 Ed., § 45-1931.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

### **§ 42-2706.02. SEVERABILITY.**

If any section, subsection, subdivision, paragraph, sentence, clause, or provision of this chapter shall be

unconstitutional or ineffective, in whole or in part, to the extent that it is not unconstitutional or ineffective it shall be valid and effective, and no other section, subsection, subdivision, paragraph, sentence, clause, or provision shall on account thereof be deemed invalid or ineffective.

(Mar. 3, 1979, D.C. Law 2-135, § 602, 25 DCR 5008.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2162.

1973 Ed., § 45-1932.

##### *Legislative History of Laws*

For legislative history of D.C. Law 2-135, see Historical and Statutory Notes following § 42-2701.01.

### **§ 42-2706.03. ALLOCATION OF BOND ISSUING AUTHORITY.**

All of the authority of the District government to issue qualified mortgage bonds in each calendar year under the Mortgage Subsidy Bond Tax Act of 1980 (26 U.S.C. § 1100 et seq.) as it may be amended from time to time with respect to the District is allocated to the Agency.

(Mar. 3, 1979, D.C. Law 2-135, § 603, as added Aug. 5, 1981, D.C. Law 4- 28, § 2(w), 28 DCR 2848.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2163.

1973 Ed., § 45-1932.

##### *Legislative History of Laws*

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

##### *References in Text*

The Mortgage Subsidy Bond Tax Act of 1980 is codified as notes under 26 U.S.C. §§ 1, 103A, and 141, not as 26 U.S.C. § 1100 et seq.

### **§ 42-2706.04. DISPOSITION OF ASSETS ON DISSOLUTION.**

If the Agency is dissolved by repeal of this chapter, or ceases to exist for any other reason, all of its assets (including, but not limited to, cash, accounts receivable, reserve funds, real or personal property, and contract and other rights) shall automatically be assigned to and become the property of the District.

(Mar. 3, 1979, D.C. Law 2-135, § 604, as added Aug. 5, 1981, D.C. Law 4- 28, § 2(w), 28 DCR 2848.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2164.

1973 Ed., § 45-1932.

##### *Legislative History of Laws*

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.

### **§ 42-2706.05. LAWS OR ACTS REFERRED TO IN THIS CHAPTER.**

Each law or act of the District identified in this chapter shall include any and all amendments thereto made from time to time, and shall include any and all superseding laws and acts, unless the superseding law or act expressly provides otherwise.

(Mar. 3, 1979, D.C. Law 2-135, § 605, as added Aug. 5, 1981, D.C. Law 4- 28, § 2(w), 28 DCR 2848.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 45-2165.

1973 Ed., § 45-1932.

*Legislative History of Laws*

For legislative history of D.C. Law 4-28, see Historical and Statutory Notes following § 42-2701.02.