

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

**TITLE 50.**  
**MOTOR AND NON-MOTOR VEHICLES AND**  
**TRAFFIC.**

**CHAPTER 25.**  
**PUBLIC PARKING AUTHORITY.**

**2001 Edition**

**DISTRICT OF COLUMBIA OFFICIAL CODE**  
**CHAPTER 25. PUBLIC PARKING AUTHORITY.**

---

**TABLE OF CONTENTS**

---

§ 50-2501. Declaration of policy. ....

§ 50-2502. Definitions. ....

§ 50-2503. Establishment and purposes of the Public Parking Authority of the District of Columbia. ....

§ 50-2504. Board of Directors--Establishment; Board member qualifications; term of office; removal; quorum; compensation. ....

§ 50-2505. Oaths; financial disclosure statement. ....

§ 50-2506. Executive Director. ....

§ 50-2506.01. Employees. ....

§ 50-2507. General powers of the Authority. ....

§ 50-2508. Acquisition and use of property. ....

§ 50-2509. Transfer of property interest between the District and the Authority. ....

§ 50-2510. Parking System Fund. ....

§ 50-2511. Parking districts. ....

§ 50-2512. Revenue bonds. ....

§ 50-2513. Tax exemption. ....

§ 50-2514. Conflicting relationships or interests. ....

# CHAPTER 25. PUBLIC PARKING AUTHORITY.

## § 50-2501. DECLARATION OF POLICY.

In an effort to combat the parking shortages in areas of the District to be defined, the Council finds it necessary to create an independent corporate body for the acquisition, construction and operation of public off-street parking facilities for motorized and nonmotorized vehicles in the District. The intent of the Council in enacting this legislation is to increase the number of public parking facilities and promote economic growth as well as encourage commercial revitalization.

(Aug. 23, 1994, D.C. Law 10-153, § 2, 41 DCR 4652.)

### *HISTORICAL AND STATUTORY NOTES*

#### *Prior Codifications*

1981 Ed., § 40-841.

#### *Legislative History of Laws*

Law 10-153, the "Public Parking Authority Establishment Act of 1994," was introduced in Council and assigned Bill No. 10-532, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 3, 1994, and June 7, 1994, respectively. Signed by the Mayor on June 30, 1994, it was assigned Act No. 10-266 and transmitted to both Houses of Congress for its review. D.C. Law 10-153 became effective on August 23, 1994.

## § 50-2502. DEFINITIONS.

For the purposes of this chapter, the term:

(1) "Bond" or "bonds" means any revenue bond, note, or other obligation (including refunding bonds, notes, or other obligations) to borrow money to finance, to assist in financing, or to refinance undertakings authorized by this chapter.

(2) "Parking facility" means any area, lot, structure, building, garage or other means for the storage or parking of automobiles, trucks, or other motorized or nonmotorized vehicles, including the vehicular and pedestrian access thereto, that may be established, constructed, erected, acquired, owned or leased, maintained or operated by the Authority. "Parking facility" also includes those appurtenances such as parking meters, automatic gates or security systems that may be acquired, owned, or leased by the Authority.

(Aug. 23, 1994, D.C. Law 10-153, § 3, 41 DCR 4652.)

### *HISTORICAL AND STATUTORY NOTES*

#### *Prior Codifications*

1981 Ed., § 40-842.

#### *Legislative History of Laws*

For legislative history of D.C. Law 10-153, see Historical and Statutory Notes following § 50-2501.

## § 50-2503. ESTABLISHMENT AND PURPOSES OF THE PUBLIC PARKING AUTHORITY OF THE DISTRICT OF COLUMBIA.

(a) There is established an Authority to be known as the Public Parking Authority of the District of Columbia ("Authority").

(b) The Authority shall be organized as a corporate body which has a legal existence separate from the District government but which is an instrumentality of the District government created to effectuate the following purposes:

- (1) Identifying and assessing the public parking needs of the District; and
- (2) Providing public parking facilities to serve specific geographical areas in the District and services relating to the management of those facilities, parking feasibility assessment, facility design criteria, financing, construction management and oversight, and facility management and maintenance within specific geographic areas.

(Aug. 23, 1994, D.C. Law 10-153, § 4, 41 DCR 4652.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 40-843.

*Legislative History of Laws*

For legislative history of D.C. Law 10-153, see Historical and Statutory Notes following § 50-2501.

**§ 50-2504. BOARD OF DIRECTORS--ESTABLISHMENT; BOARD MEMBER QUALIFICATIONS; TERM OF OFFICE; REMOVAL; QUORUM; COMPENSATION.**

- (a) A Board of Directors ("Board") is established to manage the affairs of the Authority.
- (b) The Board shall be comprised of 5 members, one of whom shall be the Chief Financial Officer of the District. The Board chairperson and 3 other members shall be appointed by the Mayor with the advice and consent of the Council by resolution.
- (c) Each member of the Board shall be a resident of the District and shall serve a 4-year term of office. Of the members first appointed to the Board, 1 member shall be appointed to a 2-year term; 2 members shall be appointed for a 3-year term; and the member appointed chairperson shall be appointed for a 4-year term. Thereafter each member shall be appointed for a 4-year term. The terms of the members first appointed shall begin on the date that a majority of the members is first established (with one of the majority being the member appointed chairperson by the Mayor), which shall become the anniversary date for all subsequent appointments.
- (d) One member of the Board shall be a local business person. The remaining members of the Board shall possess expertise in transportation, parking, banking, law, finance, construction, or real estate.
- (e) A vacancy on the Board shall be filled in the same manner that the original appointment was made. Any person appointed to fill a vacancy shall serve for the unexpired term of the original appointment.
- (f) No member of the Board shall be appointed to serve more than 2 consecutive 4-year terms of office.
- (g) The Mayor may remove a member of the Board for misconduct or neglect of duty after notice to the member.
- (h) Except as otherwise provided in this subsection, 3 members of the Board shall constitute a quorum for all purposes. For matters involving a recommendation for the establishment of a public parking district, 4 members shall constitute a quorum. For purposes of bond issuance, 4 of the 5 members shall vote and approve the resolution for the bond issue, one of whom shall be the Chief Financial Officer of the District.
- (i) Subject to the availability of appropriations for compensation purposes, each member of the Board shall be entitled to receive the hourly equivalent of the annual rate of pay for the highest step of a grade DS-15 authorized pursuant to Chapter 6 of Title 1, for each hour that the member is engaged in the actual performance of duties vested in the Board not to exceed \$8000 per year, except that a member of the Board who is a full-time officer or employee of the District of Columbia or the federal government shall not be entitled to receive pay under this subsection for performance of duties vested in the Board during the employee's regularly scheduled working hours. Members may be reimbursed for actual expenses.

(Aug. 23, 1994, D.C. Law 10-153, § 5, 41 DCR 4652.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 40-844.

*Legislative History of Laws*

For legislative history of D.C. Law 10-153, see Historical and Statutory Notes following § 50-2501.

## **§ 50-2505. OATHS; FINANCIAL DISCLOSURE STATEMENT.**

Before entering upon the discharge of the duties of office, each member of the Board shall take an oath that he or she will faithfully execute the duties of office according to the laws of the District. Each member shall also take and subscribe to an oath or affirmation that the member has no pecuniary interest, voluntarily or involuntarily, directly or indirectly, in any firm, partnership, association, or corporation engaged in any activity related to a parking facility in the District. Each member shall file annually a financial disclosure statement pursuant to District laws pertaining to the disclosure of financial interests.

(Aug. 23, 1994, D.C. Law 10-153, § 6, 41 DCR 4652.)

### *HISTORICAL AND STATUTORY NOTES*

#### *Prior Codifications*

1981 Ed., § 40-845.

#### *Legislative History of Laws*

For legislative history of D.C. Law 10-153, see Historical and Statutory Notes following § 50-2501.

## **§ 50-2506. EXECUTIVE DIRECTOR.**

(a) The Board shall appoint an Executive Director who shall be the chief administrative officer of the Authority. The Executive Director shall not be a member of the Board and shall serve at the pleasure of the Board. 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) In addition to any other duties set forth in this chapter, the Executive Director shall:

- (1) Supervise and manage all business affairs and operation and management of properties of the Authority;
- (2) Sign and execute all authorized bonds, contracts, and other obligations in the name of the Authority;
- (3) Perform all administrative duties as may be required by the Authority; and
- (4) Perform all other duties as the Authority may require to carry out the provisions of this chapter.

(Aug. 23, 1994, D.C. Law 10-153, § 7, 41 DCR 4652; Feb. 6, 2008, D.C. Law 17-108, § 216(a), 54 DCR 10993.)

### *HISTORICAL AND STATUTORY NOTES*

#### *Prior Codifications*

1981 Ed., § 40-846.

#### *Effect of Amendments*

D.C. Law 17-108, in subsec. (a), inserted "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."

#### *Legislative History of Laws*

For legislative history of D.C. Law 10-153, see Historical and Statutory Notes following § 50-2501.

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.

## **§ 50-2506.01. EMPLOYEES.**

Notwithstanding the provisions of Unit A of Chapter 14 of Title 2, each qualified District resident applicant for a position within the Authority shall receive an additional 10-point preference over a qualified non-District resident applicant 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 proof 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 Authority for the first 7 years of employment. Failure to maintain District residency for the consecutive 7-year period shall result in forfeiture of employment. The Authority shall submit to the Mayor and Council annual reports detailing the

names of all new employees and their pay schedules, titles, and place of residence.

(Aug. 23, 1994, D.C. Law 10-153, § 7a, as added Feb. 6, 2008, D.C. Law 17-108, § 216(b), 54 DCR 10993.)

*HISTORICAL AND STATUTORY NOTES*

*Legislative History of Laws*

For Law 17-108, see notes following § 42-2705.03.

**§ 50-2507. GENERAL POWERS OF THE AUTHORITY.**

The powers of the Authority shall include the following:

- (1) To have perpetual existence as a corporation pursuant to the laws of the District pertaining to corporations;
- (2) To appoint, by majority vote of the Board an Executive Director, General Counsel, and other officers and employees as the Authority may deem necessary;
- (3) To assess the parking needs of the District and encourage the establishment of parking districts;
- (4) To adopt bylaws for the management and regulation of its affairs;
- (5) To sue and be sued;
- (6) To form or join partnerships or joint ventures;
- (7) To enter into leases and subleases, either as lessor or lessee;
- (8) To grant privileges, permits, and concessions and enter into contracts with any individual, partnership, corporation, federal or state agency, or authority;
- (9) To fix, charge, and collect tolls, rates, rentals, and other charges for the use of the facilities of, or for the services rendered by, the Authority or public parking projects of the Authority;
- (10) To issue tickets for parking violations on property under the control or operation of the Authority;
- (11) To acquire real or personal property or interests in such property by means of purchase, lease, sublease, grant, deed, transfer, or other means of conveyance including but not limited to acquisition of property pursuant to § 50-2508, provided that the Authority shall not have the power to acquire property by eminent domain;
- (12) To undertake any public parking project, acquisition, construction, or any other acts necessary to carry out the purposes of the Authority;
- (13) To convey, sell, transfer, lease, or exchange any land, buildings or facilities held by the Authority and deemed by the Authority to be in furtherance of the purposes of the Authority; and
- (14) To issue or incur debt.

(Aug. 23, 1994, D.C. Law 10-153, § 8, 41 DCR 4652.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 40-847.

*Legislative History of Laws*

For legislative history of D.C. Law 10-153, see Historical and Statutory Notes following § 50-2501.

**§ 50-2508. ACQUISITION AND USE OF PROPERTY.**

- (a) All property conveyed to the Authority shall be conveyed in the name of the Authority.
- (b) The purpose for which property is leased and for which the privileges, permits, and concessions are granted may not be inconsistent with the use of the property for the purposes authorized by § 50-2503. Any lease or contract executed by the Authority shall contain a clause stating specifically the purpose for which the property is leased, or for which the permit, privilege, or concession is granted.

(Aug. 23, 1994, D.C. Law 10-153, § 9, 41 DCR 4652.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 40-848.

For legislative history of D.C. Law 10-153, see Historical and Statutory Notes following § 50-2501.

### **§ 50-2509. TRANSFER OF PROPERTY INTEREST BETWEEN THE DISTRICT AND THE AUTHORITY.**

(a) After the establishment of a parking district by the Council pursuant to § 50-2511, the Authority may request that the Mayor transfer District-owned property to the Authority. The Mayor, pursuant to Chapter 8 of Title 10, may sell, lease, grant, convey, acquire, or otherwise transfer to the Authority any real property owned by the District to fulfill the purposes set forth in § 50-2503.

(b) After the establishment of a parking district by the Council pursuant to § 50-2511, the Authority may request that the Mayor purchase, lease, sublease, or acquire real property for the Authority to control or operate as a parking facility. The Mayor, pursuant to § 1-301.91, may purchase, lease, sublease, or otherwise acquire for the Authority real property necessary for a public parking facility.

(c) The Mayor, pursuant to § 1-301.91, may purchase, lease, or sublease from the Authority or otherwise enter into agreements with the Authority to acquire property rights in any public parking facility acquired by the Authority.

(d) The Mayor may enter into contracts with the Authority, including long-term contracts, for the management, operation, maintenance, and repair of any public parking garage facility owned or leased by the District or for which the District is otherwise responsible.

(e) The Mayor shall have the right to reacquire any property obtained by the Authority from the District whenever the Authority determines that the property is no longer needed for fulfillment of the purposes for which it was acquired.

(Aug. 23, 1994, D.C. Law 10-153, § 10, 41 DCR 4652.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 40-849.

##### *Legislative History of Laws*

For legislative history of D.C. Law 10-153, see Historical and Statutory Notes following § 50-2501.

### **§ 50-2510. PARKING SYSTEM FUND.**

(a) There is established a special fund to be known as the Parking System Fund ("Fund").

(b) The Authority shall administer the Fund.

(c) The monies deposited into the Fund shall not be a part of, nor lapse into, the General Fund of the District.

(d) Monies in the Fund shall derive from the following sources:

(1) An administrative fee to be determined by the Authority and collected from each parking district which is based upon the administrative expenses associated with the specific parking district;

(2) A system fee paid by each parking district to the Authority which is based on a percentage of the outstanding debt or a percentage of the total costs of operation or maintenance associated with the specific parking district;

(3) Proceeds from the sale of bonds issued by the Authority;

(4) Interest earnings;

(5) Monies made available by the District or other governmental entities;

(6) Parking fees collected by the Authority from the parking districts;

(7) Ad valorem taxes collected on behalf of the Authority; and

(8) Federal grants, private monies, or other sources of monies for parking facilities.

(e) The Fund shall be used for the following purposes:

(1) To collect proceeds of operation from each parking district;

(2) To pay the principal, interest, redemption premiums, costs, fees, and penalties for borrowings of the Authority either when due or in anticipation of a shortfall in revenue in any funding source identified or pledged to any parking district;

(3) To make inter-fund loans to any 1 or more of the parking districts established pursuant to § 50-2511;

(4) To fund capital projects of the Authority including costs of acquiring property, developing, constructing, renovating, altering, maintaining, improving, repairing, or expanding any public parking facility; and

(5) To pay the administrative costs of the parking districts.

(f) After the purposes described in subsection (e) of this section have been satisfied, funds may be held in a general purpose account as working capital repair and renovation reserve funds, or retained earnings.

(g) The Fund shall maintain separate accounts for each parking district to account fully for:

(1) Cash receipts and disbursements;

(2) Loans to and from other parking districts in the parking system fund;

(3) Revenue by source of revenue;

(4) Expenses and expenditures by line item and purpose; and

(5) Revenue and bond proceeds.

(h) Monies in each separate parking district account shall derive from the following sources:

(1) Any monies made available by the District or other governmental entity for specific application within a parking district;

(2) All parking fees collected by the Authority within a parking district;

(3) Ad valorem taxes collected on behalf of the Authority within a parking district; and

(4) All proceeds from the sale of bonds issued for public parking facilities within a parking district.

(i) Except as provided in § 50-2511(h), monies in each separate parking district account shall be used for the following purposes:

(1) To pay the principal, interest, redemption premiums, and other costs, fees, or penalties associated with debt service on facilities within a parking district;

(2) To establish and maintain debt service reserve funds;

(3) To pay the costs associated with the development of, land acquisition for, and construction of capital improvements to existing and future public parking facilities located within a parking district;

(4) To pay the costs of repairing and renovating public parking facilities within a parking district;

(5) To pay the costs of administering, operating, and maintaining facilities located within a parking district; and

(6) To pay the administrative and system fees as determined by the Authority to the Fund.

(j) Annual financial statements for the Fund shall be prepared and submitted to the Mayor and the Council.

(Aug. 23, 1994, D.C. Law 10-153, § 11, 41 DCR 4652.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 40-850.

##### *Legislative History of Laws*

For legislative history of D.C. Law 10-153, see Historical and Statutory Notes following § 50-2501.

## **§ 50-2511. PARKING DISTRICTS.**

(a)(1) Parking districts shall be geographical areas definable by specific metes and bounds and may be located in any area permitted in accordance with the zoning regulations of the District.

(2) Parking facilities may be established in any section or portion of the District except that no parking facilities shall be established upon any property zoned residential without the approval of the Zoning Commission of the District. The Zoning Commission may grant such approval only after public notice and hearing in accordance with § 6-641.03, and a finding that the location of a parking facility in the area is to the benefit of the residents.

(b) The establishment of a parking district shall be initiated with a petition signed by the owners of real property that represents 50% or more of the combined assessed value of all Class 3, Class 4, and Class 5 real property, as those classes of real property are established pursuant to § 47-813, located within a proposed parking district. Upon receipt of a valid petition, the Authority shall assess the parking needs within the proposed parking district and recommend to the Mayor the establishment of a parking district if



the Authority determines that the establishment of a parking district is warranted.

(c) A recommendation to the Mayor for the establishment of a parking district shall describe the metes and bounds of the proposed parking district and shall also contain the following information:

- (1) An assessment of current facilities for parking within the proposed parking district and an assessment of current and future parking needs for that area;
- (2) A proposal for the establishment of parking facilities within the proposed parking district including the specific structures to be erected and a time frame for completion of such facilities; and
- (3) A statement of finding that the establishment of the proposed parking facility or facilities within the proposed parking district is not in violation of existing zoning regulations of the District.

(d) Simultaneous with submittal of the recommendation to the Mayor for the establishment of a parking district, the Authority shall submit a financial plan for funding the public parking facilities within the proposed parking district which may include the following:

- (1) Specific user charges proposed;
- (2) An ad valorem real property tax rate to be imposed on Class 3, Class 4, and Class 5 real property within the parking district; and
- (3) Any other elements of the financial plan which would generate revenues sufficient to meet debt service, administrative fees and any other expenses relating to bonds sold to finance the proposed parking facilities within the parking district and also provide for operating and maintenance costs.

(e) If the Mayor approves the recommendation by the Authority, the Mayor shall transmit proposed legislation to the Council for the creation of the proposed parking district within 60 days from the date the Mayor receives the recommendation from the Authority.

(f) After the Council receives the proposed legislation for establishment of the parking district from the Mayor, the Council may establish by act the parking district.

(g) The Council is authorized in each fiscal year following the establishment of a parking district to levy and cause to be collected special real property taxes in the nature of ad valorem taxes from property owners in each parking district.

(h) The special tax levied on the property owners in the parking district and other monies collected by the parking district shall be used to pay the following for the specific parking district for which the tax is levied:

- (1) The system fee;
- (2) The administrative fee; and
- (3) The repayment of debt service, credit enhancements, and administrative fees.

(i) Property owners who fail to pay the special tax authorized by subsection (g) of this section shall be subject to interest and penalties for nonpayment of taxes pursuant to § 47-1813.04.

(j) On a date to be set by the Mayor, the Authority shall submit to the Mayor a budget, which shall be included in the annual or supplemental budget transmitted by the Mayor to the Council pursuant to § 47-204.42, covering all anticipated revenue, transfers, expenses, and capital outlays of the Authority.

(Aug. 23, 1994, D.C. Law 10-153, § 12, 41 DCR 4652; Apr. 18, 1996, D.C. Law 11-110, § 45(a), 43 DCR 530.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 40-851.

##### *Legislative History of Laws*

For legislative history of D.C. Law 10-153, see Historical and Statutory Notes following § 50-2501.

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.

## **§ 50-2512. REVENUE BONDS.**

(a) The Council delegates to the Authority the power of the Council, as provided in § 1-204.90, to issue revenue bonds in such principal amounts as, in the opinion of the Authority, shall be necessary to finance the cost of acquiring property and of establishing, constructing, erecting, altering, expanding, enlarging, improving, and equipping buildings, structures, and other facilities in order to carry out its purposes under

this chapter.

(b) The Authority may issue bonds to refund, advance refund or refinance any of its bonds then outstanding, including the payment of any redemption premium and any interest accrued or to accrue to the earliest date or any subsequent date of redemption, purchase, or maturity of the bonds.

(c) Notwithstanding any other provision of law, the Authority shall have the power and is authorized to pledge tax revenue derived from ad valorem taxes imposed on behalf of the Authority, to the payment of the principal of, interest, or redemption premium on, any bonds issued by the Authority.

(1) The Mayor shall act as an agent for the Authority for purposes of collection and disbursement of any revenues from taxes imposed on behalf of the Authority;

(2) The Mayor shall deposit any tax revenues into the parking system fund pursuant to § 50-2510; and

(3) Tax revenues collected on behalf of the Authority shall not be commingled with any funds of the District.

(d) Bond issuance may be authorized by a resolution of the Authority pursuant to § 50-2504(h). The resolution shall provide that the public parking project is to be acquired pursuant to this chapter and applicable provisions of District law.

(e) The Authority may stipulate by resolution the terms for sale of its bonds in accordance with this chapter, including the following:

(1) The date a bond bears;

(2) The date a bond matures; provided, that notes shall not mature later than 10 years from the date of original issuance and revenue 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 two;

(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.

(f)(1) If the resolution authorizing the sale of bonds contains any of the provisions listed in paragraph (2) of this subsection, the provisions must also be part of the contract with holders of the bonds.

(2) The provisions in the resolution may include the following:

(A) The ad valorem tax sufficient to cover the debt service on the bonds;

(B) The custody, security, expenditure, or application of proceeds of the sale of bonds of the Authority (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;

(C) A pledge of revenue from parking projects of the Authority to secure payment and the rank or priority of the pledge, subject to preexisting agreements with holders of bonds;

(D) A pledge of assets of the Authority, 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;

(E) Use of gross income from mortgages owned by the Authority and payment on principal of mortgages owned by the Authority;

(F) Use of reserves or sinking funds;

(G) Use of proceeds from the sale of bonds and a pledge of proceeds to secure payment;

(H) Limitations on issuance of additional bonds, including terms of issuance and security, and the refunding, advance refunding, or refinancing of outstanding or other bonds;

(I) Procedures for amendment or abrogation of a contract with holders of bonds, the amount of bonds, the holders of which must consent to the amendment, and the manner in which consent may be given;

(J) Vesting in a trustee property, power, and duties, which may include the power and duties of a trustee appointed by holders of bonds;

(K) Limitation or abrogation of the right of holders of bonds to appoint a trustee;

(L) Defining the nature of default in the obligations of the Authority to the holders of bonds and providing rights and remedies of holders in the event of default, including the right to appointment of a receiver, in accordance with this chapter and the laws of the District;

(M) Any other provisions of like or different character which affect the security of holders of bonds; and

(N) Providing for guarantees, pledges of property, letters of credit, or other security, or insurance for the benefit of bondholders.

(g)(1) A pledge by the Authority of revenues and receipts, derived from ad valorem taxes and parking operations, collected by or on behalf of the Authority, as security for an issue of bonds shall be valid and binding from the time such pledge is made.

(2) The revenues and receipts pledged shall immediately be subject to the lien of the pledge without physical delivery or further act, and the lien of any pledge shall be valid and binding against any person having any claim of any kind in tort, contract, or otherwise against the Authority, irrespective of whether the person has notice.

(3) Notwithstanding any other law, the filing or recording of any resolution, trust, agreement, management agreement, financing statement, continuation statement, or other instrument adopted or entered into by the Authority in any public record other than the records of the Authority, is required for purposes of this section in order to perfect the lien against third persons.

(h) Bonds which are being paid or retired by issuance, sale, or delivery of bond and bonds for which sufficient funds have been deposited with the paying agent or trustee to provide for payment of principal and interest thereon, and any redemption premium, as provided in the authorizing resolution, shall not be considered outstanding for the purposes of this subsection.

(i) The signature of any officer of the Authority which appears on a bond shall remain valid if that person ceases to hold that office.

(j) The Authority may secure bonds by a trust agreement between the Authority and a corporate trustee having the powers of a trust company within the District.

(k) A trust agreement of the Authority may contain provisions for protecting and enforcing the rights and remedies of holders of bonds in accordance with the provisions of the resolution authorizing the sale of bonds.

(l) The Authority may treat expenses incurred in carrying out a trust agreement as operating expenses.

(m) Subject to preexisting agreements with the holders of bonds, the Authority may purchase its own bonds which may then be cancelled. The price of the bonds cannot exceed the following limits:

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

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

(n) No member of the Board, Executive Director or employee of the Authority shall be personally liable by reason of the issuance of bonds.

(o) The Authority may enter into agreements with agents, banks, insurers, or others for the purpose of enhancing the marketability of or security for its bonds.

(p) Authority bonds 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, 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 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.

(q) The bonds of the Authority shall not constitute an indebtedness of the District. The bonds of the Authority are not general obligations of the District and are not secured by a pledge of the full faith and credit of the District and the holders of Authority bonds may not require the levy or imposition by the District of any taxes, or except as provided in this chapter, the application of other District revenues or funds to the payment of Authority bonds. All bonds issued by the Authority shall contain on their faces a statement setting forth the above qualifications of this subsection.

(r) The District shall pledge to and agree with the holders of Authority bonds issued pursuant to this chapter that the District shall not limit or alter the rights and powers vested in the Authority by this chapter so as to impair the terms of any contract made by the Authority with such holders or in any way impair the rights and remedies of such holders until such bonds, together with 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. In addition, the District shall pledge to and agree with the holders of Authority bonds issued pursuant to this chapter that the District shall not limit or

alter the basis on which District funds are to be allocated, deposited, and paid to the Authority as provided in this chapter, or the use of such funds, so as to impair the terms of any such contract. The Authority is authorized to include these pledges and agreements of the District in any contract with the holders of bonds issued pursuant to this section.

(s) Regardless of their form or character, Authority bonds are negotiable instruments for all purposes of subtitle I of Title 28, subject only to the provisions of the bonds for registration.

(t) The Authority may sell its bonds at public or private sale and may determine the price for sale.

(u) The issuance of bonds by the Authority as contemplated in this section and the adoption of resolutions authorizing such bonds, and other obligations shall be done in compliance with the requirements of this section, but shall not be subject to Chapter 5 of Title 2, and, except as otherwise provided in this section, 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 of any bond of the Authority or the execution of any instrument relating thereto or to the security therefor, except as provided in this section or in the bylaws promulgated by the Authority. Notice of the adoption of a bond resolution shall be given to the Mayor and the Council after the adoption of such resolution.

(Aug. 23, 1994, D.C. Law 10-153, § 13, 41 DCR 4652; Apr. 18, 1996, D.C. Law 11-110, § 45(b), 43 DCR 530.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 40-852.

##### *Legislative History of Laws*

For legislative history of D.C. Law 10-153, see Historical and Statutory Notes following § 50-2501.

For legislative history of D.C. Law 11-110, see Historical and Statutory Notes following § 50-2511.

### **§ 50-2513. TAX EXEMPTION.**

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

(b) Real and personal property owned and used for exempt purposes by the Authority shall be exempt from District taxation.

(Aug. 23, 1994, D.C. Law 10-153, § 14, 41 DCR 4652.)

#### *HISTORICAL AND STATUTORY NOTES*

##### *Prior Codifications*

1981 Ed., § 40-853.

##### *Legislative History of Laws*

For legislative history of D.C. Law 10-153, see Historical and Statutory Notes following § 50-2501.

### **§ 50-2514. CONFLICTING RELATIONSHIPS OR INTERESTS.**

(a) No member of the Board or employees of the Authority shall be employed by, be an officer or director of, or have any ownership interest in any corporation or entity which is a party to any agreement with the Authority. No monies of the Authority shall be deposited in any financial institution in which a Board member or employee of the Authority is an officer, director, or holder of a substantial proprietary interest. No real estate to which a Board member or employee of the Authority holds legal title or in which such person has any beneficial interest, including any interest in a land trust, shall be purchased by the Authority. All Board members and employees of the Authority shall file annually with the Authority a record of all real estate in the District to which such person holds legal title or in which such person has any beneficial interest, including any interest in a land trust. In the event it is later disclosed that the Authority has purchased real estate in which a Board member or employee had an interest, such purchase shall be void by the Authority and the Board member or employee involved shall be disqualified from membership in or employment by the Authority.

(b) No member of the Board or employee of the Authority shall in his or her own name or in the name of a nominee, be an officer, director, or hold an ownership interest in any association, trust, corporation, partnership, or other entity which is in its own name or the name of a nominee, a party to a contract or agreement upon which the Board member, officer, agent, or employee may be called to act or vote. Any contract or agreement made in violation of this subsection shall be void and shall give rise to no action

against the Authority.

(Aug. 23, 1994, D.C. Law 10-153, § 15, 41 DCR 4652.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 40-854.

*Legislative History of Laws*

For legislative history of D.C. Law 10-153, see Historical and Statutory Notes following § 50-2501.