

ENROLLMENT(S)



(5)

COUNCIL OF THE DISTRICT OF COLUMBIA

NOTICE

D.C. LAW 12-174

"Oyster Elementary School Construction and Revenue Bond Act of 1998"

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P.L. 93-198 "the Act", the Council of the District of Columbia adopted Bill No. 12-683, on first and second readings, June 16, 1998 and July 7, 1998, respectively. Following the signature of the Mayor on July 20, 1998, pursuant to Section 404(e) of "the Act", and was assigned Act No. 12-421 and published in the August 28, 1998, edition of the D.C. Register (Vol. 45 page 6091) and transmitted to Congress on August 28, 1998 for a 30-day review, in accordance with Section 602(c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that this Legislation became effective on the date that the President of the United States signed P.L. 105.277* on October 21, 1998 and therefore, cites this enactment as D.C. Law 12-174, effective October 21, 1998.



LINDA W CROPP
Chairman of the Council

***Public Law 104.194 waived the 30-day Congressional Review Period for this Law**

AN ACT
D.C. ACT 12-421

*Codification
District of
Columbia
Code
1999 Supp.*

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

JULY 20, 1998

To authorize the demolition of the James F. Oyster Elementary School and the construction of a new school, to authorize the lease or conveyance of a portion of the Oyster School site to a private developer, to fund the construction of the new Oyster School facility through the issuance of revenue bonds by the District of Columbia for the benefit of the District of Columbia Public Schools, to waive the payment of real estate taxes on such portion in exchange for payment by the developer of a payment in lieu of taxes in connection with such property, and to secure the payment of the principal and interest on such revenue bonds with the payments in lieu of taxes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Oyster Elementary School Construction and Revenue Bond Act of 1998".

*Note,
Sections
9-401,
47-334*

Sec. 2. Definitions.

For purposes of this act, the terms:

(1) "Authorized Delegate" means the Chief Financial Officer of the District of Columbia, the District of Columbia Treasurer, or any officer or employee of the Executive Office of the Mayor to whom the Mayor has delegated or to whom the foregoing individuals have subdelegated any of the Mayor's functions under this act pursuant to section 422(6) of the Home Rule Act.

(2) "Bond Counsel" means a firm or firms of attorneys designated as bond counsel from time to time by the Mayor.

(3) "Bonds" means the District of Columbia revenue bonds, notes, or other obligations (including refunding bonds, notes, and other obligations) authorized to be issued pursuant to this act.

(4) "Closing Documents" means all documents and agreements other than Financing Documents that may be necessary and appropriate to issue, sell, and deliver the Bonds, and includes agreements, certificates, letters, opinions, forms, receipts, and other

ENROLLED ORIGINAL

similar instruments.

(5) "Conveyance" means the transfer by lease or in fee simple.

(6) "Developer" means the entity selected by the Board of Education to own or lease the Private Site, or any assignee thereof or successor thereto or other parties, designated by the Developer and agreed to by the Superintendent of the Public Schools.

(7) "Development Agreement" means that agreement to be entered into between the District, the Board of Education, and the Developer providing, among other things, for the conveyance of the Private Site to the Developer in exchange for the demolition and reconstruction of the Oyster School on a portion of the Oyster School Site and for other consideration.

(8) "District" means the District of Columbia Government.

(9) "Financing Documents" means the documents, including the Development Agreement, but other than Closing Documents, that relate to the financing or refinancing of transactions to be effected through the issuance, sale, and delivery of the Bonds, including any offering document, and any required supplements to any such documents.

(10) "Home Rule Act" means the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 774; D.C. Code § 1-201 *passim*), as amended.

(11) "Issuance Costs" means all fees, costs, charges, and expenses paid or incurred in connection with the authorization, preparation, printing, issuance, sale, and delivery of the Bonds, including, but not limited to, underwriting, legal, accounting, rating agency, and other financing fees, costs, and expenses, fees paid to financial institutions and insurance companies, initial letter of credit fees, compensation to financial advisors and other persons (other than full-time employees of the District) and entities performing services on behalf of or as agents for the District, and all other fees, costs, charges, and expenses incurred in connection with the development and implementation of the Financing Documents, the Closing Documents, and those other documents necessary or appropriate in connection with the authorization, preparation, printing, issuance, sale, marketing, and delivery of the Bonds.

(12) "Oyster School Site" means that parcel of land located at 29th and Calvert Streets, N.W., Square 2132, Lot 821.

(13) "Payments in lieu of taxes" or "PILOT" means annual contributions, payable to the District, which shall be specified in the Financing Documents, but shall be no less than the annual amounts payable in connection with the Project, including, but not limited to, debt service payments on the Bonds.

(14) "PILOT Period" means a period of years commencing on the date of issuance of the Bonds and ending on the date of final maturity of the Bonds, which such period shall in no event exceed 35 years.

(15) "Private Facility" means any residential building or structure that is

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erected on the Private Site.

(16) "Private Site" means the portion of the Oyster School Site that is conveyed to the Developer for the construction of the Private Facility, including all excess square feet of gross floor area of development rights that are not used at the Oyster School Site for the planned construction or future expansion of the new Oyster School.

(17) "Project" means the financing, refinancing, or reimbursing of the District for certain costs of developing, planning, designing, constructing and equipping of a school building to be located on the Oyster School site; paying capitalized interest on the proposed bonds for a period up to two years; funding of any required deposit to a debt service reserve fund; paying costs of any credit enhancement; and financing certain Issuance Costs of the proposed bonds.

(18) "Public Schools" means the District of Columbia Public Schools.

(18A) "Real Property Taxes" means the tax imposed on real property pursuant to D.C. Code § 47-801 *et seq.*

(19) "Trustee" means the trustee designated under that certain trust indenture to be executed by the Mayor and the Trustee in connection with the issuance of the Bonds.

Sec. 3. Findings with respect to the Project and the issuance of Revenue Bonds.

The Council finds that:

(1) In order to provide for the financing of a new public elementary school to replace the outdated James F. Oyster Elementary School, the District has determined to enter into the Development Agreement with the Developer.

(2) Section 490 of the Home Rule Act provides that the Council may by act authorize the issuance of District revenue bonds, notes or other obligations (including refunding bonds, notes, or other obligations) to borrow money to finance, refinance or assist in the financing or refinancing of undertakings in certain areas designated in section 490.

(3) The District may issue, sell, and deliver revenue bonds in an aggregate principal amount not to exceed \$11,000,000 for the purpose of financing or refinancing the Project.

(4) The Project is an authorized project in the area of elementary, secondary, and college and university facilities within the meaning of section 490 of the Home Rule Act.

(5) The authorization, issuance, sale, and delivery of the Bonds is desirable, and in the public interest, will promote the purpose and intent of section 490 of the Home Rule Act, and will assist the Project.

(6) The Project will contribute to the health, education, safety, or welfare of, or the creation or preservation of jobs for, residents of the District, or to economic development of the District.

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Sec. 4. Authorization to transfer the Private Site to the Developer.

Notwithstanding section 1 of An Act Authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes, approved August 5, 1939 (53 Stat. 1211; D.C. Code § 9-401), the Mayor is authorized to transfer the Private Site to the Developer on terms set forth in the Development Agreement.

Sec. 5. Payments in lieu of taxes.

(a) Upon the conveyance of the Private Site to the Developer, no real property taxes shall be due and payable from such date through the end of the PILOT Period. The Developer shall make the PILOT at such dates as set forth in the Financing Documents.

(b) The PILOT shall constitute a prior claim on the Private Site senior to the claims of all other persons. The District may enforce any failure to make the PILOT in the same manner as delinquent real property taxes are enforced pursuant to section 47-1301 *et seq.* of the District of Columbia Code, or in accordance with such other remedies as set forth in the Financing Documents. For enforcement purposes, the PILOT shall be considered a real property tax, shall constitute a lien to the same extent of a real property tax against the Private Site and shall be included as a tax within the meaning of sections 502(b), 505, and 507(a)(8)(B) of 11 U.S.C. § 101 *et seq.* (the Bankruptcy Code), approved November 6, 1978.

(c) During the PILOT Period, the Developer shall make the PILOT to the Trustee for the benefit of the holders of the Bonds, as set forth in the Financing Documents. The PILOT shall be used only to pay principal and interest on the Bonds and make any other payments set forth in the Financing Documents. Upon payment of all principal and interest due on the Bonds, and all costs in connection therewith, any remaining moneys may be used for any lawful purpose.

Sec. 6. Demolition and development of the Oyster School building.

(a) The Board of Education is hereby authorized, upon the approval of the Mayor, to raze the existing Oyster School building, following execution of the Development Agreement, notwithstanding section 3 of An Act to Fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, effective September 11, 1990 (D.C. Law 8-158; D.C. Code § 31-120).

Note, Section
31-120

(b) Notwithstanding the provisions of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C. Code § 1-1181.1 *et seq.*) ("Procurement Practices Act"), the Board of Education is authorized to enter into a Development Agreement with a Developer and any other agreement necessary to carry out the purposes of this act.

Note, Section
1-1181.1

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Sec. 7. Bond authorization.

(a) The Mayor is authorized pursuant to the Home Rule Act and this act to assist in financing, refinancing, and reimbursing costs of the Project by the issuance, sale, and delivery of the Bonds in an aggregate principal amount not to exceed \$11,000,000.

(b) The Mayor is authorized to establish any fund with respect to the Bonds as required by the Financing Documents.

(c) The Mayor is authorized to refund the Bonds through the issuance of refunding bonds.

Sec. 8. Bond details.

(a) The Mayor is authorized to take any action reasonably necessary or appropriate in accordance with this act in connection with the preparation, execution, issuance, sale, delivery, security for, and payment of the Bonds, including, but not limited to, determinations of:

(1) The final form, content, designation, and terms of the Bonds, including a determination that such Bonds may be issued in certificate or book entry form;

(2) The principal amount of the Bonds to be issued and denominations of the Bonds;

(3) The rate or rates of interest or the method for determining the rate or rates of interest on the Bonds;

(4) The date or dates of issuance, sale, and delivery of, and the payment of interest on the Bonds, and the maturity date or dates of such Bonds;

(5) The terms under which the Bonds may be paid, optionally or mandatorily redeemed, accelerated, tendered, called, or put for redemption, repurchase, or remarketing before their respective stated maturities;

(6) Provisions for the registration, transfer, and exchange of the Bonds and the replacement of mutilated, lost, stolen, or destroyed Bonds;

(7) The creation of any reserve fund, sinking fund, or other fund with respect to the Bonds;

(8) The time and place of payment of the Bonds;

(9) Procedures for monitoring the use of the proceeds received from the sale of the Bonds to ensure that the proceeds are properly applied to the Project and used to accomplish the purposes of the Home Rule Act and this act;

(10) Actions necessary to qualify the Bonds under blue sky laws of any jurisdiction where the Bonds are marketed; and

(11) The terms and types of credit enhancement under which the Bonds may be secured.

(b) The Bonds shall contain a legend, which shall provide that the Bonds are special

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obligations of the District, are without recourse to the District, are not a pledge of, and do not involve the faith and credit or the taxing power of the District, do not constitute a debt of the District, and do not constitute lending of the public credit for private undertakings as prohibited in section 602(a)(2) of the Home Rule Act.

(c) The Bonds shall be executed in the name of the District and on its behalf by the manual or facsimile signature of the Mayor, and attested by the manual or facsimile signature of the Secretary of the District. The Mayor's execution and delivery of the Bonds shall constitute conclusive evidence of the Mayor's approval, on behalf of the District, of the final form and content of the Bonds.

(d) The official seal of the District, or a facsimile of it, shall be impressed, printed, or otherwise reproduced on the Bonds.

(e) The Bonds may be issued in accordance with the terms of a trust instrument to be entered into by the District and the Trustee and may be subject to the terms of one or more agreements entered into by the Mayor pursuant to section 490(a)(4) of the Home Rule Act.

(f) The Bonds may be issued at any time or from time to time in one or more issues and in one or more series.

Sec. 9. Sale of the Bonds.

(a) The Bonds of any series may be sold at negotiated or competitive sale at, above, or below par, to one or more persons or entities, and upon terms that the Mayor considers to be in the best interest of the District.

(b) The Mayor may execute, in connection with each sale of the Bonds, offering documents on behalf of the District, may deem final any such offering document on behalf of the District for purposes of compliance with federal laws and regulations governing such matters, and may authorize the distribution of the documents in connection with the Bonds being sold.

(c) The Mayor is authorized to deliver the executed and sealed Bonds, on behalf of the District, for authentication, and, after the Bonds have been authenticated, to deliver the Bonds to the original purchasers of the Bonds upon payment of the purchase price.

(d) The Bonds shall not be issued until the Mayor receives an approving opinion from Bond Counsel as to the validity of the Bonds and, if the interest on the Bonds is expected to be exempt from federal income taxation, the treatment of the interest on the Bonds for purposes of federal income taxation.

(e) Notwithstanding any contrary provision set forth in, and without regard to the requirements of the Procurement Practices Act and the Financial Institutions Deposit and Investment Amendment Act of 1997, effective March 18, 1998 (D.C. Law 12-56; D.C. Code § 47-351.1 *et seq.*), the Mayor may from time to time enter into whatever contracts or agreements the Mayor may determine to be necessary or appropriate for the preparation,

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execution, issuance, sale, or delivery of, or security for the Bonds, including contracts or agreements for an escrow agent, underwriting, legal services, accounting, financial advisory services, bond insurance or other credit enhancement, printing, a registrar, a paying agent, letter or line of credit, or placement of an investment or obligation or program of investment. Any such contracts or agreements shall contain whatever terms and conditions as the Mayor may deem appropriate and shall be entered into with whatever party or parties the Mayor may select. Proceeds of the Bonds may be pledged to and used to service any contract or agreement entered into pursuant to this section.

Sec. 10. Payment and security.

(a) The District is hereby authorized to pledge the PILOT as security for the payment of the principal of premium, if any, and interest on the Bonds.

(b) The Bonds shall be payable solely from the PILOT, proceeds received from the sale of the Bonds, and income realized from the temporary investment thereof, and other non-District moneys as provided in the Financing Documents.

(c) Payment of the Bonds shall be secured as provided in the Financing Documents and by an assignment by the District for the benefit of the holders of the Bonds of certain of its rights under the Financing Documents and Closing Documents, including a security interest in certain collateral, if any, to the Trustee for the Bonds pursuant to the Financing Documents.

(d) The Trustee is authorized to deposit, invest, and disburse the proceeds received from the sale of the Bonds pursuant to the Financing Documents.

Sec. 11. Financing and Closing Documents.

(a) The Mayor is authorized to prescribe the form and content of all Financing Documents and all Closing Documents to which the District is a party that may be necessary or appropriate to issue, sell, and deliver the Bonds and to consummate the other transactions contemplated by this act. Each of the Financing Documents and each of the Closing Documents to which the District is not a party shall be approved, as to form and content, by the Mayor.

(b) The Mayor is authorized to execute in the name of the District, and on its behalf, any Financing Documents and any Closing Documents to which the District is a party by the Mayor's manual or facsimile signature.

(c) If required, the official seal of the District, or a facsimile of it, shall be impressed, printed, or otherwise reproduced on the Financing Documents and the Closing Documents to which the District is a party.

(d) The Mayor's execution and delivery of the Financing Documents and the Closing Documents to which the District is a party shall constitute conclusive evidence of the Mayor's

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approval, on behalf of the District, of the final form and content of all of the executed Financing Documents and the executed Closing Documents.

(e) The Mayor is authorized to deliver the executed and sealed Financing Documents and Closing Documents, on behalf of the District, prior to or simultaneously with the issuance, sale, and delivery of the Bonds, and to ensure the due performance of the obligations of the District contained in the executed, sealed, and delivered Financing Documents and Closing Documents.

Sec. 12. Permitted investments.

The Mayor shall have the power to contract with the holders of the Bonds as to the custody, collection, securing, investment, and payments of any monies held in trust for the holders of the Bonds or otherwise for the payment of the Bonds.

Sec. 13. Limited liability.

(a) The Bonds shall be special obligations of the District. The Bonds shall be without recourse to the District. The Bonds shall not be general obligations of the District, shall not be a pledge of or involve the faith and credit or the taxing power of the District, shall not constitute a debt of the District, and shall not constitute lending of the public credit for private undertakings as prohibited in section 602(a)(2) of the Home Rule Act.

(b) Nothing contained in the Bonds, in the Financing Documents, or in the Closing Documents shall create an obligation on the part of the District to make payments with respect to the Bonds from sources other than those listed for that purpose in section 10.

(c) All covenants, obligations, and agreements of the District contained in this act, the Bonds, and the executed, sealed, and delivered Financing Documents and Closing Documents to which the District is a party, shall be considered to be the covenants, obligations, and agreements of the District to the fullest extent authorized by law, and each of those covenants, obligations, and agreements shall be binding upon the District, subject to the limitations set forth in this act.

(d) No person, including, but not limited to, any holder of the Bond, shall have any claims against the District or any of its elected or appointed officials, officers, employees, or agents for monetary damages suffered as a result of the failure of the District to perform any covenant, undertaking, or obligation under this act, the Bonds, the Financing Documents, or the Closing Documents, nor as a result of the incorrectness of any representation in or omission from the Financing Documents or the Closing Documents, unless the District or its elected or appointed officials, officers, employees, or agents have acted in a willful and fraudulent manner.

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Sec. 14. District officials.

(a) Except as otherwise provided in section 13(d), the elected or appointed officials, officers, employees, or agents of the District shall not be liable personally for the payment of the Bonds or be subject to any personal liability by reason of the issuance of the Bonds, or for any representations, warranties, covenants, obligations, or agreements of the District contained in this act, the Bonds, the Financing Documents, or the Closing Documents.

(b) The signature, countersignature, facsimile signature, or facsimile countersignature of any official appearing on the Bonds, the Financing Documents, or the Closing Documents shall be valid and sufficient for all purposes notwithstanding the fact that the individual signatory ceases to hold that office before delivery of the Bonds, the Financing Documents or the Closing Documents.

Sec. 15. Maintenance of documents.

Copies of the specimen Bonds and of the final Financing Documents and Closing Documents shall be filed in the Office of the Secretary of the District.

Sec. 16. Information reporting.

Within three days after the Mayor's receipt of the transcript of proceedings relating to the issuance of the Bonds, the Mayor shall transmit a copy of such transcript to the Secretary to the Council.

Sec. 17. Disclaimer.

(a) The issuance of Bonds is in the discretion of the District. Nothing contained in this act, the Bonds, the Financing Documents or the Closing Documents, shall be construed as obligating the District to issue any Bonds for the benefit of the Public Schools or to participate in or assist the Public Schools in any way with financing, refinancing, or reimbursing the costs of the development of the Project.

(b) The District reserves the right to issue its Bonds in the order or priority it determines in its sole and absolute discretion. The District gives no assurance and makes no representations that any portion of any limited amount of bonds or other obligations, the interest on which is excludable from gross income for federal income tax purposes, will be reserved or will be available at the time of the proposed issuance of the Bonds authorized by this act.

Sec. 18. Authorized delegation of authority.

To the extent permitted by District and federal laws, the Mayor may delegate to any Authorized Delegate the performance of any function authorized to be performed by the Mayor under this act.

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Sec. 19. Expiration.

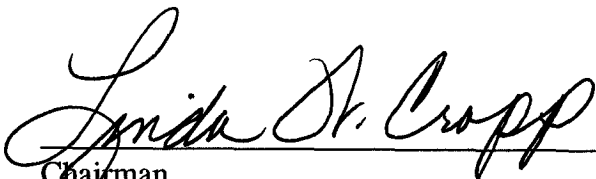
If any Bonds are not issued, sold, and delivered to the original purchaser within three years of the date of this act, the authorization provided in this act with respect to the issuance, sale, and delivery of the Bonds shall expire.

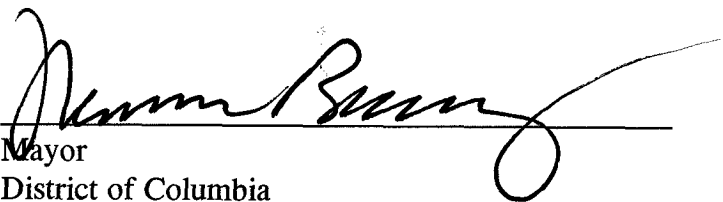
Sec. 20. Fiscal impact statement.

The Council adopts the Fiscal Impact Statement prepared by the Chief Financial Officer, dated June 15, 1998.

Sec. 21. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), approval by the Financial Responsibility and Management Assistance Authority as provided in section 203(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 116; D.C. Code § 47-392.3(a)), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Code § 1-233(c)(1)), and publication in the District of Columbia Register.


Chairman
Council of the District of Columbia


Mayor
District of Columbia

APPROVED: July 20, 1998



COUNCIL OF THE DISTRICT OF COLUMBIA

COUNCIL PERIOD TWELVE

RECORD OF OFFICIAL COUNCIL VOTE

B12-683

Docket No. _____

| | ITEM ON CONSENT CALENDAR

☒ ACTION & DATE

ADOPTED FIRST READING, 6-16-98

| | VOICE VOTE

RECORDED VOTE ON REQUEST

ABSENT

| | ROLL CALL VOTE - Result

PASSED

11 0 0 2

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Cropp	X				Chavous				X	Schwartz	X			
Allen	X				Evans	X				Smith, Jr.	X			
Ambrose	X				Jarvis	X				Thomas, Sr.				X
Brazil	X				Mason	X								
Catania	X				Patterson	X								

X - Indicates Vote

AB - Absent

NV - Present not Voting

CERTIFICATION RECORD

Secretary to the Council

Date

☒ ITEM ON CONSENT CALENDAR☒ ACTION & DATE

ADOPTED FINAL READING, 7-7-98

☒ VOICE VOTE

APPROVED

RECORDED VOTE ON REQUEST

ALL PRESENT

ABSENT

| | ROLL CALL VOTE - Result

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Cropp					Chavous					Schwartz				
Allen					Evans					Smith, Jr.				
Ambrose					Jarvis					Thomas, Sr.				
Brazil					Mason									
Catania					Patterson									

X - Indicates Vote

AB - Absent

NV - Present not voting

CERTIFICATION RECORD

Secretary to the Council

Date

| | ITEM ON CONSENT CALENDAR

| | ACTION & DATE

| | VOICE VOTE

RECORDED VOTE ON REQUEST

ABSENT

| | ROLL CALL VOTE - Result

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Cropp					Chavous					Schwartz				
Allen					Evans					Smith, Jr.				
Ambrose					Jarvis					Thomas, Sr.				
Brazil					Mason									
Catania					Patterson									

X - Indicates Vote

AB - Absent

NV - Present not Voting

CERTIFICATION RECORD

Secretary to the Council

Date

AN ACT

*Codification
District of
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Code
1999 Supp.*

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To authorize the demolition of the James F. Oyster Elementary School and the construction of a new school, to authorize the lease or conveyance of a portion of the Oyster School site to a private developer, to fund the construction of the new Oyster School facility through the issuance of revenue bonds by the District of Columbia for the benefit of the District of Columbia Public Schools, to waive the payment of real estate taxes on such portion in exchange for payment by the developer of a payment in lieu of taxes in connection with such property, and to secure the payment of the principal and interest on such revenue bonds with the payments in lieu of taxes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Oyster Elementary School Construction and Revenue Bond Act of 1998".

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Sections
9-401,
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(1) "Authorized Delegate" means the Chief Financial Officer of the District of Columbia, the District of Columbia Treasurer, or any officer or employee of the Executive Office of the Mayor to whom the Mayor has delegated or to whom the foregoing individuals have subdelegated any of the Mayor's functions under this act pursuant to section 422(6) of the Home Rule Act.

(2) "Bond Counsel" means a firm or firms of attorneys designated as bond counsel from time to time by the Mayor.

(3) "Bonds" means the District of Columbia revenue bonds, notes, or other obligations (including refunding bonds, notes, and other obligations) authorized to be issued pursuant to this act.

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(7) "Development Agreement" means that agreement to be entered into between the District, the Board of Education, and the Developer providing, among other things, for the conveyance of the Private Site to the Developer in exchange for the demolition and reconstruction of the Oyster School on a portion of the Oyster School Site and for other consideration.

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(15) "Private Facility" means any residential building or structure that is

erected on the Private Site.

(16) "Private Site" means the portion of the Oyster School Site that is conveyed to the Developer for the construction of the Private Facility, including all excess square feet of gross floor area of development rights that are not used at the Oyster School Site for the planned construction or future expansion of the new Oyster School.

(17) "Project" means the financing, refinancing, or reimbursing of the District for certain costs of developing, planning, designing, constructing and equipping of a school building to be located on the Oyster School site; paying capitalized interest on the proposed bonds for a period up to two years; funding of any required deposit to a debt service reserve fund; paying costs of any credit enhancement; and financing certain Issuance Costs of the proposed bonds.

(18) "Public Schools" means the District of Columbia Public Schools.

(18A) "Real Property Taxes" means the tax imposed on real property pursuant to D.C. Code § 47-801 *et seq.*

(19) "Trustee" means the trustee designated under that certain trust indenture to be executed by the Mayor and the Trustee in connection with the issuance of the Bonds.

Sec. 3. Findings with respect to the Project and the issuance of Revenue Bonds.

The Council finds that:

(1) In order to provide for the financing of a new public elementary school to replace the outdated James F. Oyster Elementary School, the District has determined to enter into the Development Agreement with the Developer.

(2) Section 490 of the Home Rule Act provides that the Council may by act authorize the issuance of District revenue bonds, notes or other obligations (including refunding bonds, notes, or other obligations) to borrow money to finance, refinance or assist in the financing or refinancing of undertakings in certain areas designated in section 490.

(3) The District may issue, sell, and deliver revenue bonds in an aggregate principal amount not to exceed \$11,000,000 for the purpose of financing or refinancing the Project.

(4) The Project is an authorized project in the area of elementary, secondary, and college and university facilities within the meaning of section 490 of the Home Rule Act.

(5) The authorization, issuance, sale, and delivery of the Bonds is desirable, and in the public interest, will promote the purpose and intent of section 490 of the Home Rule Act, and will assist the Project.

(6) The Project will contribute to the health, education, safety, or welfare of, or the creation or preservation of jobs for, residents of the District, or to economic development of the District.

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Sec. 4. Authorization to transfer the Private Site to the Developer.

Notwithstanding section 1 of An Act Authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes, approved August 5, 1939 (53 Stat. 1211; D.C. Code § 9-401), the Mayor is authorized to transfer the Private Site to the Developer on terms set forth in the Development Agreement.

Sec. 5. Payments in lieu of taxes.

(a) Upon the conveyance of the Private Site to the Developer, no real property taxes shall be due and payable from such date through the end of the PILOT Period. The Developer shall make the PILOT at such dates as set forth in the Financing Documents.

(b) The PILOT shall constitute a prior claim on the Private Site senior to the claims of all other persons. The District may enforce any failure to make the PILOT in the same manner as delinquent real property taxes are enforced pursuant to section 47-1301 *et seq.* of the District of Columbia Code, or in accordance with such other remedies as set forth in the Financing Documents. For enforcement purposes, the PILOT shall be considered a real property tax, shall constitute a lien to the same extent of a real property tax against the Private Site and shall be included as a tax within the meaning of sections 502(b), 505, and 507(a)(8)(B) of 11 U.S.C. § 101 *et seq.* (the Bankruptcy Code), approved November 6, 1978.

(c) During the PILOT Period, the Developer shall make the PILOT to the Trustee for the benefit of the holders of the Bonds, as set forth in the Financing Documents. The PILOT shall be used only to pay principal and interest on the Bonds and make any other payments set forth in the Financing Documents. Upon payment of all principal and interest due on the Bonds, and all costs in connection therewith, any remaining moneys may be used for any lawful purpose.

Sec. 6. Demolition and development of the Oyster School building.

(a) The Board of Education is hereby authorized, upon the approval of the Mayor, to raze the existing Oyster School building, following execution of the Development Agreement, notwithstanding section 3 of An Act to Fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, effective September 11, 1990 (D.C. Law 8-158; D.C. Code § 31-120).

Note, Section
31-120

(b) Notwithstanding the provisions of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C. Code § 1-1181.1 *et seq.*) ("Procurement Practices Act"), the Board of Education is authorized to enter into a Development Agreement with a Developer and any other agreement necessary to carry out the purposes of this act.

Note, Section
1-1181.1

Sec. 7. Bond authorization.

(a) The Mayor is authorized pursuant to the Home Rule Act and this act to assist in financing, refinancing, and reimbursing costs of the Project by the issuance, sale, and delivery of the Bonds in an aggregate principal amount not to exceed \$11,000,000.

(b) The Mayor is authorized to establish any fund with respect to the Bonds as required by the Financing Documents.

(c) The Mayor is authorized to refund the Bonds through the issuance of refunding bonds.

Sec. 8. Bond details.

(a) The Mayor is authorized to take any action reasonably necessary or appropriate in accordance with this act in connection with the preparation, execution, issuance, sale, delivery, security for, and payment of the Bonds, including, but not limited to, determinations of:

(1) The final form, content, designation, and terms of the Bonds, including a determination that such Bonds may be issued in certificate or book entry form;

(2) The principal amount of the Bonds to be issued and denominations of the Bonds;

(3) The rate or rates of interest or the method for determining the rate or rates of interest on the Bonds;

(4) The date or dates of issuance, sale, and delivery of, and the payment of interest on the Bonds, and the maturity date or dates of such Bonds;

(5) The terms under which the Bonds may be paid, optionally or mandatorily redeemed, accelerated, tendered, called, or put for redemption, repurchase, or remarketing before their respective stated maturities;

(6) Provisions for the registration, transfer, and exchange of the Bonds and the replacement of mutilated, lost, stolen, or destroyed Bonds;

(7) The creation of any reserve fund, sinking fund, or other fund with respect to the Bonds;

(8) The time and place of payment of the Bonds;

(9) Procedures for monitoring the use of the proceeds received from the sale of the Bonds to ensure that the proceeds are properly applied to the Project and used to accomplish the purposes of the Home Rule Act and this act;

(10) Actions necessary to qualify the Bonds under blue sky laws of any jurisdiction where the Bonds are marketed; and

(11) The terms and types of credit enhancement under which the Bonds may be secured.

(b) The Bonds shall contain a legend, which shall provide that the Bonds are special

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obligations of the District, are without recourse to the District, are not a pledge of, and do not involve the faith and credit or the taxing power of the District, do not constitute a debt of the District, and do not constitute lending of the public credit for private undertakings as prohibited in section 602(a)(2) of the Home Rule Act.

(c) The Bonds shall be executed in the name of the District and on its behalf by the manual or facsimile signature of the Mayor, and attested by the manual or facsimile signature of the Secretary of the District. The Mayor's execution and delivery of the Bonds shall constitute conclusive evidence of the Mayor's approval, on behalf of the District, of the final form and content of the Bonds.

(d) The official seal of the District, or a facsimile of it, shall be impressed, printed, or otherwise reproduced on the Bonds.

(e) The Bonds may be issued in accordance with the terms of a trust instrument to be entered into by the District and the Trustee and may be subject to the terms of one or more agreements entered into by the Mayor pursuant to section 490(a)(4) of the Home Rule Act.

(f) The Bonds may be issued at any time or from time to time in one or more issues and in one or more series.

Sec. 9. Sale of the Bonds.

(a) The Bonds of any series may be sold at negotiated or competitive sale at, above, or below par, to one or more persons or entities, and upon terms that the Mayor considers to be in the best interest of the District.

(b) The Mayor may execute, in connection with each sale of the Bonds, offering documents on behalf of the District, may deem final any such offering document on behalf of the District for purposes of compliance with federal laws and regulations governing such matters, and may authorize the distribution of the documents in connection with the Bonds being sold.

(c) The Mayor is authorized to deliver the executed and sealed Bonds, on behalf of the District, for authentication, and, after the Bonds have been authenticated, to deliver the Bonds to the original purchasers of the Bonds upon payment of the purchase price.

(d) The Bonds shall not be issued until the Mayor receives an approving opinion from Bond Counsel as to the validity of the Bonds and, if the interest on the Bonds is expected to be exempt from federal income taxation, the treatment of the interest on the Bonds for purposes of federal income taxation.

(e) Notwithstanding any contrary provision set forth in, and without regard to the requirements of the Procurement Practices Act and the Financial Institutions Deposit and Investment Amendment Act of 1997, effective March 18, 1998 (D.C. Law 12-56; D.C. Code § 47-351.1 *et seq.*), the Mayor may from time to time enter into whatever contracts or agreements the Mayor may determine to be necessary or appropriate for the preparation,

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execution, issuance, sale, or delivery of, or security for the Bonds, including contracts or agreements for an escrow agent, underwriting, legal services, accounting, financial advisory services, bond insurance or other credit enhancement, printing, a registrar, a paying agent, letter or line of credit, or placement of an investment or obligation or program of investment. Any such contracts or agreements shall contain whatever terms and conditions as the Mayor may deem appropriate and shall be entered into with whatever party or parties the Mayor may select. Proceeds of the Bonds may be pledged to and used to service any contract or agreement entered into pursuant to this section.

Sec. 10. Payment and security.

(a) The District is hereby authorized to pledge the PILOT as security for the payment of the principal of premium, if any, and interest on the Bonds.

(b) The Bonds shall be payable solely from the PILOT, proceeds received from the sale of the Bonds, and income realized from the temporary investment thereof, and other non-District moneys as provided in the Financing Documents.

(c) Payment of the Bonds shall be secured as provided in the Financing Documents and by an assignment by the District for the benefit of the holders of the Bonds of certain of its rights under the Financing Documents and Closing Documents, including a security interest in certain collateral, if any, to the Trustee for the Bonds pursuant to the Financing Documents.

(d) The Trustee is authorized to deposit, invest, and disburse the proceeds received from the sale of the Bonds pursuant to the Financing Documents.

Sec. 11. Financing and Closing Documents.

(a) The Mayor is authorized to prescribe the form and content of all Financing Documents and all Closing Documents to which the District is a party that may be necessary or appropriate to issue, sell, and deliver the Bonds and to consummate the other transactions contemplated by this act. Each of the Financing Documents and each of the Closing Documents to which the District is not a party shall be approved, as to form and content, by the Mayor.

(b) The Mayor is authorized to execute in the name of the District, and on its behalf, any Financing Documents and any Closing Documents to which the District is a party by the Mayor's manual or facsimile signature.

(c) If required, the official seal of the District, or a facsimile of it, shall be impressed, printed, or otherwise reproduced on the Financing Documents and the Closing Documents to which the District is a party.

(d) The Mayor's execution and delivery of the Financing Documents and the Closing Documents to which the District is a party shall constitute conclusive evidence of the Mayor's

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approval, on behalf of the District, of the final form and content of all of the executed Financing Documents and the executed Closing Documents.

(e) The Mayor is authorized to deliver the executed and sealed Financing Documents and Closing Documents, on behalf of the District, prior to or simultaneously with the issuance, sale, and delivery of the Bonds, and to ensure the due performance of the obligations of the District contained in the executed, sealed, and delivered Financing Documents and Closing Documents.

Sec. 12. Permitted investments.

The Mayor shall have the power to contract with the holders of the Bonds as to the custody, collection, securing, investment, and payments of any monies held in trust for the holders of the Bonds or otherwise for the payment of the Bonds.

Sec. 13. Limited liability.

(a) The Bonds shall be special obligations of the District. The Bonds shall be without recourse to the District. The Bonds shall not be general obligations of the District, shall not be a pledge of or involve the faith and credit or the taxing power of the District, shall not constitute a debt of the District, and shall not constitute lending of the public credit for private undertakings as prohibited in section 602(a)(2) of the Home Rule Act.

(b) Nothing contained in the Bonds, in the Financing Documents, or in the Closing Documents shall create an obligation on the part of the District to make payments with respect to the Bonds from sources other than those listed for that purpose in section 10.

(c) All covenants, obligations, and agreements of the District contained in this act, the Bonds, and the executed, sealed, and delivered Financing Documents and Closing Documents to which the District is a party, shall be considered to be the covenants, obligations, and agreements of the District to the fullest extent authorized by law, and each of those covenants, obligations, and agreements shall be binding upon the District, subject to the limitations set forth in this act.

(d) No person, including, but not limited to, any holder of the Bond, shall have any claims against the District or any of its elected or appointed officials, officers, employees, or agents for monetary damages suffered as a result of the failure of the District to perform any covenant, undertaking, or obligation under this act, the Bonds, the Financing Documents, or the Closing Documents, nor as a result of the incorrectness of any representation in or omission from the Financing Documents or the Closing Documents, unless the District or its elected or appointed officials, officers, employees, or agents have acted in a willful and fraudulent manner.

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Sec. 14. District officials.

(a) Except as otherwise provided in section 13(d), the elected or appointed officials, officers, employees, or agents of the District shall not be liable personally for the payment of the Bonds or be subject to any personal liability by reason of the issuance of the Bonds, or for any representations, warranties, covenants, obligations, or agreements of the District contained in this act, the Bonds, the Financing Documents, or the Closing Documents.

(b) The signature, countersignature, facsimile signature, or facsimile countersignature of any official appearing on the Bonds, the Financing Documents, or the Closing Documents shall be valid and sufficient for all purposes notwithstanding the fact that the individual signatory ceases to hold that office before delivery of the Bonds, the Financing Documents or the Closing Documents.

Sec. 15. Maintenance of documents.

Copies of the specimen Bonds and of the final Financing Documents and Closing Documents shall be filed in the Office of the Secretary of the District.

Sec. 16. Information reporting.

Within three days after the Mayor's receipt of the transcript of proceedings relating to the issuance of the Bonds, the Mayor shall transmit a copy of such transcript to the Secretary to the Council.

Sec. 17. Disclaimer.

(a) The issuance of Bonds is in the discretion of the District. Nothing contained in this act, the Bonds, the Financing Documents or the Closing Documents, shall be construed as obligating the District to issue any Bonds for the benefit of the Public Schools or to participate in or assist the Public Schools in any way with financing, refinancing, or reimbursing the costs of the development of the Project.

(b) The District reserves the right to issue its Bonds in the order or priority it determines in its sole and absolute discretion. The District gives no assurance and makes no representations that any portion of any limited amount of bonds or other obligations, the interest on which is excludable from gross income for federal income tax purposes, will be reserved or will be available at the time of the proposed issuance of the Bonds authorized by this act.

Sec. 18. Authorized delegation of authority.

To the extent permitted by District and federal laws, the Mayor may delegate to any Authorized Delegate the performance of any function authorized to be performed by the Mayor under this act.

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Sec. 19. Expiration.

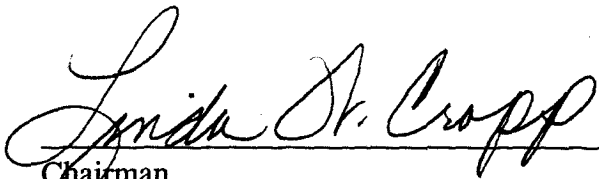
If any Bonds are not issued, sold, and delivered to the original purchaser within three years of the date of this act, the authorization provided in this act with respect to the issuance, sale, and delivery of the Bonds shall expire.

Sec. 20. Fiscal impact statement.

The Council adopts the Fiscal Impact Statement prepared by the Chief Financial Officer, dated June 15, 1998.

Sec. 21. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), approval by the Financial Responsibility and Management Assistance Authority as provided in section 203(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 116; D.C. Code § 47-392.3(a)), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Code § 1-233(c)(1)), and publication in the District of Columbia Register.


Chairman
Council of the District of Columbia

Mayor
District of Columbia



| | ITEM ON CONSENT CALENDAR

| X ACTION & DATE

ADOPTED FIRST READING, 6-16-98

| | VOICE VOTE
RECORDED VOTE ON REQUEST

ABSENT

| | ROLL CALL VOTE - Result

PASSED

11 0 0 2

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Cropp	X				Chavous				X	Schwartz	X			
Allen	X				Evans	X				Smith, Jr.	X			
Ambrose	X				Jarvis	X				Thomas, Sr.				X
Brazil	X				Mason	X								
Catania	X				Patterson	X								

X - Indicates Vote

AB - Absent

NV - Present not Voting

CERTIFICATION RECORD

Paul J. ...
Secretary to the Council

July 9, 1998
Date

| X ITEM ON CONSENT CALENDAR

| X ACTION & DATE

ADOPTED FINAL READING, 7-7-98

| X VOICE VOTE
RECORDED VOTE ON REQUEST

APPROVED

ABSENT

ALL PRESENT

| | ROLL CALL VOTE - Result

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Cropp					Chavous					Schwartz				
Allen					Evans					Smith, Jr.				
Ambrose					Jarvis					Thomas, Sr.				
Brazil					Mason									
Catania					Patterson									

X - Indicates Vote

AB - Absent

NV - Present not voting

CERTIFICATION RECORD

Paul J. ...
Secretary to the Council

July 9, 1998
Date

| | ITEM ON CONSENT CALENDAR

| | ACTION & DATE

| | VOICE VOTE
RECORDED VOTE ON REQUEST

ABSENT

| | ROLL CALL VOTE - Result

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Cropp					Chavous					Schwartz				
Allen					Evans					Smith, Jr.				
Ambrose					Jarvis					Thomas, Sr.				
Brazil					Mason									
Catania					Patterson									

X - Indicates Vote

AB - Absent

NV - Present not Voting

CERTIFICATION RECORD

Secretary to the Council

Date