

14-169-201. Title.

This subchapter may be referred to as the "Housing Authorities Act."

14-169-202. Legislative declarations.

It is declared that:

- (1) There exist in the state insanitary or unsafe dwelling accommodations and that persons of low income are forced to reside in insanitary or unsafe accommodations; within the state there is a shortage of safe or sanitary dwelling accommodations available at rents which persons of low income can afford, and that those persons are forced to occupy overcrowded and congested dwelling accommodations; these conditions cause an increase in and spread of disease and crime and constitute a menace to the health, safety, morals, and welfare of the residents of the state and impair economic values; these conditions necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident protection, and other public services and facilities;
- (2) Slum areas in the state cannot be cleared, nor can the shortage of safe and sanitary dwellings for persons of low income be relieved, through the operation of private enterprise, and that the construction of housing projects for persons of low income, as defined in § 14-169-203, would therefore not be competitive with private enterprise;
- (3) The clearance, replanning, and reconstruction of the areas in which insanitary or unsafe housing conditions exist and the providing of safe and sanitary dwelling accommodations for persons of low income are exclusively public uses and purposes for which public money may be spent and private property acquired and are governmental functions of state concern;
- (4) It is a proper public purpose for any state public body to aid, as provided in this subchapter, any housing authority operating within its boundaries or jurisdiction or any housing project located therein, as the state public body derives immediate benefits and advantages from such an authority or project;
- (5) It is in the public interest that work on housing projects be commenced as soon as possible in order to relieve unemployment which constitutes an emergency; and
- (6) The necessity in the public interest for the provisions enacted in this subchapter is declared as a matter of legislative determination.

14-169-203. Definitions.

As used in this subchapter, unless the context otherwise requires:

- (1) "Authority" or "housing authority" means any of the public corporations created by § 14-169-207;
- (2) "City" means any city of the first or second class or any incorporated town. "The city" means the particular city or town for which a particular housing authority is created;
- (3) "County" means any county in the state. "The county" means the particular county for which a particular housing authority is created;
- (4) "State public body" means any city, town, county, municipal corporation, commission, district, authority, other subdivision, or other public body of the state;
- (5) "Governing body" means:
 - (A) In the case of a city, the city council or other legislative body thereof;
 - (B) In the case of a county, the county court or other legislative body thereof; and
 - (C) In the case of other state public bodies, the council, commissioners, board, or other body having charge of the fiscal affairs of the state public body;
- (6) "Mayor" means the mayor of the city or the officer thereof charged with the duties customarily imposed on the mayor or executive head of the city;
- (7) "Clerk" means the clerk of the city or the clerk of the county, as the case may be, or the officer of the city or the county, charged with the duties customarily imposed on the clerk;
- (8) "Area of operation" means:

- (A)** In the case of a housing authority of a city having a population of less than ten thousand (10,000), the city and the area within five (5) miles of its territorial boundaries;
- (B)** In the case of a housing authority of a city having a population of ten thousand (10,000) or more, the city and the area within fifteen (15) miles of its territorial boundaries. However, the area of operation of a housing authority of any city shall not include any area which lies within the territorial boundaries of some other city as defined in this section; and
- (C)** In the case of a housing authority of a county, all of the county except that portion which lies within the territorial boundaries of any city as defined in this section;
- (9)** "Federal government" means the United States of America or any agency or instrumentality, corporate or otherwise, of the United States of America;
- (10)** "Slum" means any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light, or sanitary facilities, or any combination of these factors, are detrimental to safety, health, and morals;
- (11) (A)** "Housing project" means any work or undertaking to:
- (i)** Demolish, clear, or remove buildings from any slum area. The work or undertaking may embrace the adaptation of the area to public purposes including parks or other recreational or community purposes;
- (ii)** Provide decent, safe, and sanitary urban or rural dwellings, apartments, or other living accommodations for persons of low income. The work or undertaking may include buildings, land, equipment, facilities, and other real or personal property for necessary, convenient, or desirable appurtenances, streets, sewers, water service, parks, site preparation, gardening, administrative, community, health, recreational, educational, welfare, or other purposes; or
- (iii)** Accomplish a combination of the foregoing.
- (B)** The term "housing project" also may be applied to:
- (i)** The planning of the buildings and improvements;
- (ii)** The acquisition of property;
- (iii)** The demolition of existing structures;
- (iv)** The construction, reconstruction, alteration, and repair of the improvements; and
- (v)** All other work in connection therewith;
- (12)** "Persons of low income" means persons or families who lack the amount of income which is necessary, as determined by the authority undertaking the housing project, to enable them, without financial assistance, to live in decent, safe, and sanitary dwellings, without overcrowding;
- (13)** "Bonds" means any bonds, notes, interim certificates, debentures, or other obligations issued by an authority pursuant to this subchapter;
- (14)** "Real property" means all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto or used in connection therewith, and every estate, interest, and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage, or otherwise, and the indebtedness secured by such liens;
- (15)** "Obligee of the authority" or "obligee" means any bondholder, trustee for any bondholder, or lessor demising to the authority property used in connection with a housing project, or any assignee of the lessor's interest or any part thereof, and the federal government when it is a party to any contract with the authority.

14-169-204. Provisions controlling.

Insofar as the provisions of this subchapter are inconsistent with the provisions of any other law, the provisions of this subchapter shall be controlling.

14-169-205. Planning, etc., laws applicable.

(a) All housing projects of a housing authority shall be subject to the planning, zoning, sanitary, and building laws, ordinances, and regulations applicable to the locality in which the housing project is situated.

(b) In the planning and location of any housing project, an authority shall take into consideration the relationship of the project to any larger plan or long-range program for the development of the area in which the authority functions.

14-169-206. Validating provisions.

(a) The establishment and organization of housing authorities pursuant to the provisions of this subchapter, together with all proceedings, acts, and things heretofore undertaken, performed, or done with reference thereto, are validated, ratified, confirmed, approved, and declared legal in all respects, notwithstanding any defect or irregularity in them or any want of statutory authority.

(b) All contracts, agreements, obligations, and undertakings of housing authorities heretofore entered into relating to financing or aiding in the development, construction, maintenance, or operation of any housing projects or to obtaining aid for them from the United States, including without limiting the generality of the foregoing, loan and annual contributions contracts, leases with the United States, agreements with municipalities, counties, or other public bodies, including agreements which are pledged or authorized to be pledged for the protection of the holders of any notes or bonds issued by authorities or which are otherwise made a part of the contract with the holders of notes or bonds, relating to cooperation and contributions in aid of projects, payments, if any, in lieu of taxes, furnishing of services and facilities, and the elimination of unsafe and insanitary dwellings, and contracts for the construction of housing projects, together with all proceedings, acts, and things heretofore undertaken, performed, or done with reference to them, are validated, ratified, confirmed, approved, and declared legal in all respects, notwithstanding any defect or irregularity in them or any want of statutory authority.

(c) All proceedings, acts, and things heretofore undertaken, performed, or done in or for the authorization, issuance, sale, execution, and delivery of notes and bonds by housing authorities for the purpose of financing or aiding in the development or construction of housing projects, and all notes and bonds heretofore issued by authorities, are validated, ratified, confirmed, approved, and declared legal in all respects, notwithstanding any defect or irregularity in them or any want of statutory authority.

14-169-207. Creation of authorities.

(a)

(1) In each city and in each county of the state there is created a public body corporate and politic to be known as the "housing authority" of the city or county.

(2)

(A) An authority shall not transact any business or exercise its powers under this subchapter until or unless the governing body of the city or the county, as the case may be, by proper resolution shall declare at any time that there is need for an authority to function in the city or county.

(B) The determination as to whether there is a need for an authority to function:

(i) May be made by the governing body on its own motion; or

(ii) Shall be made by the governing body upon the filing of a petition signed by twenty-five (25) residents of the city or the county, as the case may be, asserting that there is need for an authority to function in the city or county and requesting that the governing body so declare.

(b) (1) The governing body shall adopt a resolution declaring that there is need for a housing authority in the city or county, as the case may be, if it shall find that:

(A) Insanitary or unsafe inhabited dwelling accommodations exist in the city or county; or

(B) There is a shortage of safe or sanitary dwelling accommodations in the city or county available to persons of low income at rentals they can afford.

(2) In determining whether dwelling accommodations are unsafe or insanitary, the governing body may take into consideration:

(A) The degree of overcrowding;

(B) The percentage of land coverage;

(C) The light, air, space, and access available to the inhabitants of the dwelling accommodations;

(D) The size and arrangement of the rooms;

(E) The sanitary facilities; and

(F) The extent to which conditions exist in the buildings which endanger life or property by fire or other causes.

(c)

(1) In any suit, action, or proceeding involving the validity or enforcement of, or relating to, any contract of the authority, the authority shall be conclusively deemed to have become established and authorized to transact business and exercise its powers under this subchapter upon proof of the adoption of a resolution by the governing body declaring the need for the authority.

(2)

(A) A resolution shall be deemed sufficient if it declares that there is need for an authority and finds in substantially the foregoing terms, with no further detail being necessary, that either or both of the enumerated conditions exist in the city or county, as the case may be.

(B) A copy of the resolution, duly certified by the clerk, shall be admissible in evidence in any suit, action, or proceeding.

(d) A housing authority created under this section shall not transact any business in this state or exercise its powers under a fictitious name unless:

(1) It receives approval by its commissioners of the governing body of affairs of the state public body or, in the absence of commissioners, approval from the governing body of the city or county; and

(2)

(A) It files with the county clerk a notice for recording the fictitious name under which the applicant housing authority will transact business or exercise its powers and the name of the housing authority and location of its principal office.

(B) The notice to be provided to the county clerk shall contain:

(i) The fictitious name under which the business is being, or will be, conducted;

(ii) The entity name of the applicant and the date of its housing authority resolution filed with the appropriate city or county in Arkansas;

(iii) Whether the housing authority is a public body for a city or county;

(iv) The county or city in which a copy of the housing authority resolution is filed; and

(v) The city and street address of the principal Arkansas office location of the applicant entity.

(C) The filing fee, if any, shall be the same as for any other fictitious name filed with the county clerk.

14-169-208. Appointment, etc., of commissioners, employees.

(a)

(1) When the governing body of a city adopts a resolution as prescribed in § 14-169-207, it shall promptly notify the mayor of the adoption.

(2)

(A) Upon receiving the notice, the mayor shall appoint five (5) persons as commissioners of the housing authority created for the city.

(B) When the governing body of a county adopts a resolution as indicated, the governing body shall appoint five (5) persons as commissioners of the authority created for the county.

(b) No commissioner of an authority may be an officer or employee of the city or county for which the authority is created.

(c)

(1) The commissioners who are first appointed shall be designated to serve for terms of one (1), two (2), three (3), four (4), and five (5) years, respectively, from the date of their appointment.

(2)

(A) Thereafter, commissioners shall be appointed as prescribed for a term of office of five (5) years. However, all vacancies shall be filled for the unexpired term.

(B)

(i) When the term of office of a commissioner expires or other vacancy occurs in the commissioners of an authority, the commissioners shall appoint a successor to fill the vacancy, subject to confirmation by the municipal or county governing body.

(ii) If the commissioners fail to appoint a successor within forty-five (45) calendar days from the date a commissioner's term expires or other vacancy occurs, the governing body shall appoint a successor.

(C)

(i) If the governing body fails to confirm or reject the commissioner's appointment within forty-five (45) calendar days after receiving written notice of the appointment, the appointment shall be deemed confirmed and the governing body shall have no power to act on the appointment thereafter.

(ii) If the governing body rejects such appointment within forty-five (45) calendar days after receiving written notice of the appointment, the commissioners shall within thirty (30) calendar days after receiving written notice of such rejection appoint another person to fill the vacancy.

(iii) If the commissioners fail to make the appointment within the thirty-day period, the governing body shall appoint a successor.

(3) A commissioner shall hold office until his successor has been appointed and has qualified.

(d)

(1) A certificate of the appointment or reappointment of any commissioner shall be filed with the clerk of the governing body.

(2) The certificate shall be conclusive evidence of the due and proper appointment of the commissioner.

(e) A commissioner may receive reasonable compensation for his services, not to exceed three hundred dollars (\$300) per year. He shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of his duties.

(f) The powers of each authority shall be vested in their commissioners in office from time to time.

(g)

(1) Three (3) commissioners shall constitute a quorum of the authority for the purpose of conducting its business and exercising its powers and for all other purposes.

(2) Action may be taken by the authority upon a vote of a majority of the commissioners present, except as provided in this subchapter and except as otherwise provided in the bylaws of the authority.

(h)

(1) The mayor, or in the case of an authority for a county, the governing body of the county, shall designate which of the commissioners appointed shall be the first chairman.

(2) When the office of the chairman of the authority thereafter becomes vacant, the authority shall select a chairman from among its commissioners.

(i)

(1) An authority shall select from among its commissioners a vice chairman. It may also employ a secretary, who shall be executive director, technical experts, and such other officers, agents, and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties, and compensation.

(2) For such legal services as it may require, an authority may call upon the chief law officer of the city or the county or may employ its own counsel and legal staff.

(3) An authority may delegate to one (1) or more of its agents or employees such powers or duties as it may deem proper.

14-169-209. Commissioner or employee interest prohibited.

(a) No commissioner or employee of a housing authority shall acquire any interest, direct or indirect, in any housing project or in any property included or planned to be included in any project, nor shall he have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used in connection with any housing project.

(b)

(1) If any commissioner or employee of an authority owns or controls an interest, direct or indirect, in any property included or planned to be included in any housing project, he immediately shall disclose it, in writing, to the authority. The disclosure shall be entered upon the minutes of the authority.

(2) Failure so to disclose an interest shall constitute misconduct in office.

14-169-210. Removal of commissioners.

(a) A commissioner of a city or county housing authority may be removed from office for inefficiency or neglect of duty or misconduct in office only by the vote of the majority of the city council or county quorum court, as the case may be.

(b) Removal shall occur only after the commissioner has been given a copy of the charges, at least ten (10) days prior to the hearing on the charges, and the commissioner has had an opportunity to be heard in person or by counsel.

(c) In the event of the removal of any commissioner, a record of the proceedings, together with the charges and findings on them, shall be filed in the office of the clerk.

14-169-211. Powers of authority generally.

A housing authority shall constitute a public body corporate and politic, exercising exclusively public and essential governmental functions and having all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this subchapter, including the following powers in addition to others granted in this subchapter:

(1) To sue and be sued;

(2) To have a seal and to alter the same at pleasure;

(3) To have perpetual succession;

(4) To make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the authority; and

(5) To make and from time to time amend and repeal bylaws, rules, and regulations not inconsistent with this subchapter to carry into effect the powers and purposes of the authority;

(6) To invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control; and

(7) To purchase its bonds at a price not more than the principal amount thereof and accrued interest, all bonds so purchased to be cancelled;

(8) To exercise all or any part or combination of the powers granted in this section and §§ 14-169-212 -- 14-169-218 and 14-169-225(b).

14-169-212. Investigations, studies, etc.

A housing authority shall have the power, within its area of operation:

- (1) To investigate into living, dwelling, and housing conditions and into the means and methods of improving these conditions;
- (2) To determine where slum areas exist or where there is a shortage of decent, safe, and sanitary dwelling accommodations for persons of low income;
- (3)
 - (A) To make studies and recommendations relating to the problem of clearing, replanning, and reconstructing of slum areas and the problem of providing dwelling accommodations for persons of low income; and
 - (B) To cooperate with the city, the county, and the state, or any political subdivision thereof, in action taken in connection with these problems; and
- (4) To engage in research, studies, and experimentation on the subject of housing.

14-169-213. Examinations and investigations - - Conduct, oaths, subpoenas, etc.

A housing authority shall have the power, acting through one (1) or more commissioners or other persons designated by the authority:

- (1) To conduct examinations and investigations and to hear testimony and take proof under oath at public or private hearings on any matter material for its information;
- (2) To administer oaths;
- (3) To issue subpoenas requiring the attendance of witnesses or the production of books and papers; and
- (4) To issue commissions for the examination of witnesses who are outside of this state or unable to attend before the authority or excused from attendance.

14-169-214. Examinations and investigations - - Findings and recommendations.

A housing authority shall have the power to make available to appropriate agencies, including those charged with the duty of abating or requiring the correction of nuisances or like conditions or of demolishing unsafe or insanitary structures within its area of operation, its findings and recommendations with regard to any building or property where conditions exist which are dangerous to the public health, morals, safety, or welfare.

14-169-215. Powers of authority regarding property generally.

A housing authority shall have the power:

- (1) To lease or rent any dwellings, houses, accommodations, lands, buildings, structures, or facilities embraced in any housing project and, subject to the limitations contained in this subchapter, to establish and revise the rents or charges for them;
- (2) To own, hold, and improve real or personal property;
- (3) To purchase, lease, obtain options upon, or acquire by gift, grant, bequest, devise, or otherwise any real or personal property or any interest in it;
- (4) To acquire by the exercise of the power of eminent domain any real property;
- (5) To sell, lease, exchange, transfer, assign, pledge, or dispose of any real or personal property or any interest in it; and
- (6) To insure or provide for the insurance of any real or personal property or operations of the authority against any risks or hazards.

14-169-216. Acquisition, operation, construction, etc., of housing projects.

(a) A housing authority shall have the power within its area of operation to prepare, carry out, acquire, lease, and operate housing projects, and to provide for the construction, reconstruction, improvement, alteration, or repair of any housing project or any part thereof.

(b) No provisions of law with respect to the acquisition, operation, or disposition of property by other public bodies shall be applicable to an authority unless the General Assembly shall specifically so state.

14-169-217. Contracts for services, works, etc.

(a) A housing authority shall have the power to arrange or contract for the furnishing by any person or agency, public or private, of services, privileges, works or facilities for, or in connection with, a housing project or the occupants thereof.

(b) Notwithstanding anything to the contrary contained in this subchapter or in any other provision of law, a housing authority shall have the power to include, in any contract let in connection with a project, stipulations requiring that the contractor and any subcontractors comply with requirements as to minimum wages and maximum hours of labor and with any conditions which the federal government may have attached to its financial aid of the project.

14-169-218. Financing of project.

A housing authority shall have the power to:

(1) Purchase promissory notes, and the mortgages or trust deeds securing them, issued by any builder or developer engaged in constructing dwelling units to be sold or leased to the authority as part of any housing project;

(2) Make loans to any such builder or developer in order to aid in financing any housing project; and

(3) Issue its bonds for any such purpose.

14-169-219. Power of eminent domain.

(a) A housing authority shall have the right to acquire by the exercise of the power of eminent domain any real property which it may deem necessary for its purposes under this subchapter after the adoption by it of a resolution declaring that the acquisition of the real property described in it is necessary for those purposes.

(b) An authority may exercise the power of eminent domain in the manner prescribed in §§ 18-15-1202 -- 18-15-1207 for condemnation by railroad corporations in this state, or it may exercise the power of eminent domain in the manner provided by any other applicable statutory provisions for the exercise of the power of eminent domain.

(c) Property already devoted to a public use may be acquired in like manner. However, no real property belonging to the city, the county, the state, or any political subdivision thereof may be acquired without its consent.

14-169-220. Authority to issue bonds.

(a) (1) (A) A housing authority shall have power to issue bonds, from time to time, in its discretion, for any of its corporate purposes.

(B) An authority shall also have power to issue refunding bonds for the purpose of paying or retiring bonds previously issued by it.

(2) (A) An authority may issue such types of bonds as it may determine, including bonds on which the principal and interest are payable:

(i) Exclusively from the income and revenues of the housing project financed from the proceeds of the bonds, or with such proceeds together with a grant from the federal government in aid of the project;

(ii) Exclusively from the income and revenues of certain designated housing projects, whether or not they were financed in whole or in part with the proceeds of the bonds;

(iii) From any funds received from the United States of America, or any agency thereof, pursuant to any act of Congress providing for grants or payments to housing authorities in

connection with, or in anywise pertaining to, the achieving and maintaining of housing projects;

(iv) From the funds set forth in subdivision (a)(2)(A)(iii) of this section together with any or all of the revenues set forth in subdivisions (a)(2)(A)(i) and (ii) of this section; or

(v) From its revenues generally.

(B) Bonds may be additionally secured by a pledge of any revenues or a mortgage of any housing project or other property of the authority.

(b)

(1) Neither the commissioners of an authority nor any person executing the bonds shall be liable personally on the bonds by reason of their issuance.

(2)

(A) The bonds and other obligations of an authority, which bonds and obligations shall so state on their face, shall not be a debt of the city, the county, or the state, or any political subdivision thereof. Neither the city, the county, the state, nor any political subdivision thereof shall be liable on them; nor, in any event, shall the bonds or obligations be payable out of any funds or properties other than those of the housing authority.

(B) The bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

14-169-221. Issuance of bonds.

(a)

(1) Bonds of a housing authority shall be authorized by its resolution upon a vote of at least three (3) commissioners.

(2) Bonds may be issued in one (1) or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be sold in such manner and on such terms, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption, with or without premium, as the resolution, its trust indenture, or mortgage may provide.

(b) In case any of the commissioners or officers of the authority whose signatures appear on any bonds or coupons shall cease to be such commissioners or officers before the delivery of the bonds, their signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if the commissioners or officers had remained in office until the delivery.

(c) Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this subchapter, subject to the provisions of this section with regard to registration, shall be fully negotiable.

(d) In any suit, action, or proceeding involving the validity or enforceability of any bond of an authority or the security therefor, any bond reciting, in substance, that it has been issued by the authority to aid in financing a housing project to provide dwelling accommodations for persons of low income shall be conclusively deemed to have been issued for a housing project of such character. The project shall be conclusively deemed to have been planned, located, and constructed in accordance with the purposes and provisions of this subchapter.

14-169-222. Powers in issuing bonds or incurring obligations.

In connection with the issuance of bonds or the incurring of obligations under leases and in order to secure the payment of the bonds or obligations, a housing authority, in addition to its other powers, shall have power to:

(1) Pledge all or any part of its gross or net rents, fees, or revenues to which its right then exists or may thereafter come into existence;

(2) Mortgage all or any part of its real or personal property then owned or thereafter acquired;

(3)

(A) Covenant against pledging all or any part of its rents, fees, and revenues or against mortgaging all, or any part, of its real or personal property to which its right or title then

exists or may thereafter come into existence, or against permitting or suffering any lien on such revenues or property;

(B) Covenant with respect to limitations on its right to sell, lease, or otherwise dispose of any housing project, or any part thereof; and

(C) Covenant as to what other or additional debts or obligations may be incurred by it;

(4)

(A) Covenant as to the bonds to be issued and as to the issuance of the bonds, in escrow or otherwise, and as to the use and disposition of the proceeds thereof;

(B) Provide for the replacement of lost, destroyed, or mutilated bonds;

(C) Covenant against extending the time for the payment of its bonds, or interest thereon; and

(D)

(i) Redeem the bonds;

(ii) Covenant for their redemption; and

(iii) Provide the terms and conditions of redemptions;

(5) **(A)** Covenant, subject to the limitations contained in this subchapter, as to:

(i) The rents and fees to be charged in the operation of a housing project;

(ii) The amount to be raised each year or other period of time by rents, fees, and other revenues; and

(iii) The use and disposition to be made of them; and

(B)

(i) Create or authorize the creation of special funds for moneys held for construction or operating costs, debt service, reserves, or other purposes; and

(ii) Covenant as to the use and disposition of the moneys held in these funds;

(6)

(A) Prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated;

(B) The amount of bonds the holders of which must consent thereto; and

(C) The manner in which the consent may be given;

(7)

(A) Covenant as to the use of any, or all, of its real or personal property; and

(B) Covenant as to:

(i) The maintenance of its real and personal property;

(ii) The replacement of its property;

(iii) The insurance to be carried on its property; and

(iv) The use and disposition of insurance moneys;

(8)

(A) Covenant as to the rights, liabilities, powers, and duties arising upon the breach by it of any covenant, condition, or obligation; and

(B) Covenant and prescribe as to:

(i) The events of default and terms and conditions upon which any, or all, of its bonds or obligations shall become, or may be declared due before maturity; and

(ii) The terms and conditions upon which the declaration and its consequences may be waived;

(9)

(A) Vest in trustees or the holders of bonds, or any proportion of them, the right to enforce the payment of the bonds or any covenants securing or relating to the bonds;

(B) Vest in trustees the right, in the event of a default by the authority, to:

(i) Take possession and use, operate, and manage any housing project, or part thereof;

(ii) Collect the rents and revenues arising from it; and

(iii) Dispose of the moneys in accordance with the agreement of the authority with the trustees;

(C)

(i) Provide for the powers and duties of trustees; and

(ii) Limit the liabilities of trustees; and

(D) Provide the terms and conditions upon which the trustees or the holders of bonds, or any proportion of them, may enforce any covenant or rights securing or relating to the bonds; and

(10)

- (A) Exercise all, or any part or combination of, the powers granted in this section;
- (B) Make covenants other than, and in addition to, the covenants expressly authorized in this section, of like or different character;
- (C)
 - (i) Make such covenants and to do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds; or
 - (ii) In the absolute discretion of the authority, act to make the bonds more marketable, notwithstanding that such covenants, acts, or things may not be enumerated in this section.

14-169-223. Bonds and obligations as legal investments.

- (a)
 - (1) The state and all public officers, municipal corporations, political subdivisions, and public bodies; and all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies, and other persons carrying on a banking business; and all insurance companies, insurance associations, and other persons carrying on an insurance business; and all executors, administrators, guardians, trustees, and other fiduciaries may legally invest any sinking funds, moneys, or other funds belonging to them or within their control in any bonds or other obligations issued by a housing authority pursuant to this subchapter or issued by any public housing authority or agency in the United States, when the bonds or other obligations are secured by a pledge of annual contributions to be paid by the federal government, or any of its agencies.
 - (2) These bonds and other obligations shall be authorized security for all public deposits and shall be fully negotiable in this state.
 - (b) It is the purpose of this section to authorize any persons, firms, corporations, associations, political subdivisions, bodies, and officers, public or private, to use any funds owned or controlled by them, including, but not limited to, sinking, insurance, investment, retirement, compensation, pension, and trust funds, and funds held on deposit, for the purchase of any such bonds or other obligations and to declare that any such bonds or other obligations shall be authorized security for all public deposits and shall be fully negotiable in this state.
 - (c) Nothing contained in this section shall be construed as relieving any person, firm, or corporation from any duty of exercising reasonable care in selecting securities.

14-169-224. Joining or cooperating by authorities.

- (a) Any two (2) or more housing authorities created pursuant to this subchapter may join or cooperate with one another in the exercise, either jointly or otherwise, of any or all of their powers for the purpose of financing, including the issuance of bonds, notes, or other obligations and giving security therefor, planning, undertaking, owning, constructing, operating, or contracting with respect to housing projects located within the area of operation of any one (1) or more of the authorities.
- (b) For such purpose, any authority may, by resolution, prescribe and authorize any other housing authority joining or cooperating with it to act on its behalf with respect to any or all of its powers.
- (c) Any authorities joining or cooperating with one another may, by resolutions, appoint from among the commissioners of the authorities an executive committee with full power to act on behalf of the authorities with respect to any or all of their powers, as prescribed by resolutions of the authorities.

14-169-225. Federal aid or cooperation.

- (a) (1) In addition to the powers conferred upon a housing authority by other provisions of this subchapter, the authority is empowered to:
 - (A) Borrow money or accept grants or other financial assistance from the federal government for, or in aid of, any housing project within its area of operation;

(B) Take over or lease or manage any housing project or undertaking constructed or owned by the federal government; and

(C) To these ends, comply with such conditions and enter into such mortgages, trust indentures, leases, or agreements as may be necessary, convenient, or desirable.

(2) It is the purpose and intent of this section to authorize every authority to do any and all things necessary or desirable to secure the financial aid or cooperation of the federal government in the undertaking, construction, maintenance, or operation of any housing project by an authority.

(b) A housing authority shall have the power to procure insurance or guarantees from the federal government of the payment of any debts, or parts thereof, whether or not incurred by the authority, secured by mortgages on any property included in any of its housing projects.

14-169-226. Agreement to sell project as security for federal obligations.

(a)

(1) In any contract or amendatory or superseding contract for a loan and annual contributions entered into between any housing authority and the federal government or any of its agencies, with respect to any housing project undertaken by the authority, the authority is authorized to make such covenants, including covenants with holders of obligations of the authority issued for purposes of the project involved. The authority may confer upon the federal government or any of its agencies such rights and remedies as the authority deems necessary to assure the fulfillment of the purposes for which the project was undertaken.

(2) In any such contract, the authority may, notwithstanding any other provisions of law, agree to sell and convey the project, including all lands appertaining to it, to which the contract relates to the federal government, or any agency thereof, upon the occurrence of such conditions, or upon such defaults on obligations for which any of the annual contributions provided in the contract are pledged, as may be prescribed in the contract, and at a price, which may include the assumption by the federal government, or any agency thereof, of the payment, when due, of the principal of, and interest on, outstanding obligations of the housing authority issued for purposes of the project involved, determined as prescribed and upon such other terms and conditions as are provided in the contract.

(b) Any authority is authorized to enter into such supplementary contracts and to execute such conveyances as may be necessary to carry out the provisions of this section.

(c) Notwithstanding any other provisions of law, any contracts, supplementary contracts, or any conveyances made or executed pursuant to the provisions of this section shall not be or constitute a mortgage within the meaning of, or for the purposes of, any of the laws of this state.

14-169-227. Aid and cooperation by state public bodies.

(a) For the purpose of aiding and cooperating in the planning, undertaking, construction, or operation of housing projects, including projects of the federal government, located within the area in which it is authorized to act, any state public body may, upon such terms, with or without consideration, as it may determine:

(1) Dedicate, sell, convey, or lease any of its property to a housing authority or the federal government;

(2) Cause parks, playgrounds, and recreational, community, educational, water, sewer, or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished adjacent to, or in connection with, projects;

(3) Furnish, dedicate, close, pave, install, grade, regrade, plan, or replan streets, roads, roadways, alleys, sidewalks, or other works which it is otherwise empowered to undertake;

(4) Plan or replan, zone or rezone any part of the state public body and make exceptions from building regulations and ordinances. Any city or town also may change its map;

(5) Enter into agreements which may extend over any period, notwithstanding any provision or rule of law to the contrary, with an authority or the federal government respecting action to

be taken by the state public body pursuant to any of the powers granted by this subchapter; and

(6) Do any and all things necessary or convenient to aid and cooperate in the planning, undertaking, construction, or operation of projects.

(b) With respect to any housing project which an authority has acquired or taken over from the federal government and which the authority by resolution has found and declared to have been constructed in a manner that will promote the public interest and afford necessary safety, sanitation, and other protection, no state public body shall require any changes to be made in the project or the manner of its construction or take any other action relating to the construction.

(c) In connection with any public improvements made by a state public body in exercising the powers granted in this section, the state public body may incur the entire expense of the improvements.

(d) Any law or statute to the contrary notwithstanding, any sale or conveyance to, or any lease or agreement with, an authority or the federal government may be made by a state public body pursuant to this section without appraisal, public notice, advertisement, or public bidding.

14-169-228. Additional powers of public bodies to aid or cooperate.

For the purpose of aiding and cooperating in the planning, undertaking, construction, or operation of housing projects, including housing projects of the federal government, located within the area in which it is authorized to act, any state public body may, in addition to other powers conferred on them by this subchapter or any other law, upon such terms, with or without consideration, as it may determine:

(1) Grant easements, licenses, or any other rights or privileges to a housing authority;

(2) Cause services to be furnished to an authority of the character which the state public body is otherwise empowered to furnish;

(3) Enter into agreements with respect to the exercise by the state public body of its powers relating to the repair, demolition, or closing of unsafe, insanitary, or unfit dwellings; and

(4) Employ, notwithstanding the provisions of any other law, any funds belonging to, or within the control of, the state public body, including funds derived from the sale or furnishing of property or facilities to an authority, in the purchase of the bonds or other obligations of an authority, and exercise all the rights of any holder of any such bonds or other obligations.

14-169-229. Public appropriations and loans.

(a)

(1) When any housing authority which is created for any city or county becomes authorized to transact business and exercise its powers in it, the governing body of the city or county, as the case may be, shall immediately make an estimate of the amount of money necessary for the administrative expenses and overhead of the authority during the first year. The governing body shall appropriate that amount to the authority out of any moneys in the treasury of the city or county not appropriated to some other purpose.

(2) The moneys so appropriated shall be paid to the authority as a donation.

(b)

(1) Any city, town, or county located, in whole or in part, within the area of operation of a housing authority shall have the power from time to time to lend or donate money to the authority or agree to take such action.

(2) The authority, when it has money available, shall make reimbursements for all such loans made to it by way of loans.

14-169-230. Authority to exercise powers.

(a)

(1) The exercise by a state public body of the powers granted in this subchapter may be authorized by resolution of the governing body of the state public body adopted by a majority of the members present at a meeting of the governing body.

(2) The resolution may be adopted at the meeting at which it is introduced.

(b) The resolution shall take effect immediately upon passage and need not thereafter be laid over, published, or posted.

14-169-231. Contracts for services furnished by public body.

(a) In connection with any housing project located within the area in which it is authorized to act, any state public body may contract with a housing authority or the federal government with respect to the sums, if any, which the housing authority or federal government may agree to pay, during any year or period of years, to the state public body for the improvements, services, and facilities to be furnished by it for the benefit of the project. However, in no event shall the amount of the payments exceed the estimated cost to the state public body of the improvements, services, or facilities to be furnished.

(b) The absence of a contract for the payments shall in no way relieve any state public body from the duty to furnish, for the benefit of the project, customary improvements and such services and facilities as the state public body furnishes customarily without a service fee.

14-169-232. Statutory remedies of obligee.

An obligee of a housing authority shall have the right, in addition to all other rights which may be conferred on the obligee, subject only to any contractual restrictions binding upon the obligee:

(1) By mandamus, suit, action, or proceeding, at law or in equity, to compel the authority and its commissioners, officers, agents, or employees to:

(A) Perform each and every term, provision, and covenant contained in any contract of the authority with or for the benefit of the obligee; and

(B) Require the carrying out of any or all covenants and agreements of the authority and the fulfillment of all duties imposed upon the authority by this subchapter; and

(2) By suit, action, or proceeding in equity, to enjoin any acts or things which may be unlawful or the violation of any of the rights of the obligee of the authority.

14-169-233. Additional remedies conferrable on obligees.

A housing authority shall have power, by its resolution, trust indenture, mortgage, lease, or other contract, to confer upon any obligee holding or representing a specified amount in bonds or holding a lease the right, in addition to all rights that may otherwise be conferred, upon the happening of an event of default as defined in the resolution or instrument, by suit, action, or proceeding in any court of competent jurisdiction to:

(1) Cause possession of any housing project, or any part of it, to be surrendered to any such obligee;

(2)

(A) Obtain the appointment of a receiver of any housing project of the authority, or any part of it, and of the rents and profits from it.

(B) If a receiver is appointed, he may:

(i) Enter and take possession of the housing project or any part of it;

(ii) Operate and maintain the project; and

(iii) Collect and receive all fees, rents, revenues, or other charges thereafter arising from the project.

(C) The receiver shall keep the moneys in a separate account or accounts and apply them in accordance with the obligations of the authority, as the court shall direct; and

(3) Require the authority and its commissioners to account as if it and they were the trustees of an express trust.

14-169-234. Exemption of property from execution.

(a) All real property of a housing authority shall be exempt from levy and sale by virtue of an execution, and no execution or other judicial process shall issue against it, nor shall any judgment against the authority be a charge or lien upon its real property.

(b) The provisions of this section shall not apply to or limit the right of obligees to foreclose or otherwise enforce any mortgage of any authority or the right of obligees to pursue any remedies for the enforcement of any pledge or lien given by an authority on its rents, fees, or revenues.

14-169-235. Tax exemption of certain property.

(a) The property of a housing authority used exclusively for public purposes and not for profit is declared to be public property, and this property and the authority shall be exempt from all taxes and special assessments from the state or any state public body.

(b) Any property of an authority used for commercial, business, or industrial purposes shall be assessed and ad valorem taxes paid on it in the manner provided by law for the assessment and payment of taxes on other property, and the authority shall furnish the assessor with a certified statement, in writing, of the value at which the property was originally acquired to assist the assessor in arriving at the assessable value of it as provided by law.

(c) An authority may agree to make payments in lieu of taxes to a state public body for the benefit of a public housing project. However, in no event shall such payments exceed the estimated cost to the state public body of the improvements, services, or facilities to be so furnished.

14-169-236. Fixing of rental rates.

(a) It is declared to be the policy of this state that each housing authority shall manage and operate its housing projects in an efficient manner so as to enable it to fix the rentals for dwelling accommodations at the lowest possible rates consistent with its providing decent, safe, and sanitary dwelling accommodations and that no housing authority shall construct or operate any project for profit or as a source of revenue to the city or the county.

(b) To this end, an authority shall fix the rentals for dwellings in its projects at no higher rates than it shall find to be necessary in order to produce revenues which, together with all other available moneys, revenues, income, and receipts of the authority from whatever sources derived, will be sufficient to:

(1) Pay, as they become due, the principal and interest on the bonds of the authority;

(2) Meet the cost of, and to provide for, maintaining and operating the projects, including the cost of any insurance, and the administrative expenses of the authority; and

(3) Create, during not less than the six (6) years immediately succeeding its issuance of any bonds, a reserve sufficient to meet the largest principal and interest payments which will be due on the bonds in any one (1) year thereafter, and maintain the reserve.

14-169-237. Rentals and tenant selection.

In the operation or management of housing projects, a housing authority shall at all times observe the following duties with respect to rentals and tenant selection:

(1) It may rent or lease the dwelling accommodations in them only to persons of low income;

(2) It may rent or lease the dwelling accommodations in them only at rentals within the financial reach of persons of low income;

(3) It may rent or lease to a tenant dwelling accommodations consisting of the number of rooms, but no greater number, which it deems necessary to provide safe and sanitary accommodations to the proposed occupants without overcrowding;

(4)

(A) It shall not accept any person as a tenant in any housing project if the persons who would occupy the dwelling accommodations have an annual income in excess of five (5) times the annual rental of the quarters to be furnished the persons. However, in the case of families with three (3) or more minor dependents, the ratio shall not exceed six (6) to one (1).

(B) In computing the rental for the purpose of selecting tenants, there shall be included in the rental the average annual cost to the occupants, as determined by the authority, of heat, water, electricity, gas, cooking range, and other necessary services or facilities, whether or not the charge for those services and facilities is in fact included in the rental.

14-169-238. Right to possession, etc.

Nothing contained in § 14-169-236 or § 14-169-237 shall be construed as limiting the power of a housing authority to vest in an obligee the right, in the event of a default by the authority, to take possession of a housing project, or cause the appointment of a receiver of it, or acquire title to it, free from all the restrictions imposed by those statutes.

14-169-239. Security for funds deposited.

(a) A housing authority, by resolution, may provide that all moneys deposited by it shall be secured by:

(1) Obligations of the United States or of the state, of a market value equal at all times to the amount of the deposits; or

(2) Any securities in which savings banks may legally invest funds within their control; or

(3) An undertaking, with such sureties as shall be approved by the authority, faithfully to keep and pay over upon the order of the authority any such deposits and agreed interest on them.

(b) All banks and trust companies are authorized to give any such security for the deposits.

14-169-240. Reports and recommendations.

At least once a year, a housing authority shall file with the clerk a report of its activities for the preceding year and shall make recommendations with reference to such additional legislation or other action as it deems necessary in order to carry out the purposes of this subchapter.