

**35A-8-418 Bonds and other obligations -- Additional powers of authority.**

In connection with the issuance of bonds or the incurring of obligations under leases and in order to secure the payment of bonds or obligations, an authority may:

- (1) pledge all or a part of its gross or net rents, fees, or revenues to which its right currently exists or will accrue;
- (2) mortgage all or a part of its real or personal property owned or acquired;
- (3) covenant against pledging all or a part of its rents, fees, and revenues, or against mortgaging all or a part of its real or personal property to which its right or title then exists or will accrue, or against permitting or suffering any lien on the revenues or property;
- (4) covenant with respect to limitations on its right to sell, lease, or otherwise dispose of any housing project and covenant as to what other, or additional debts or obligations may be incurred by it;
- (5) covenant as to bonds to be issued and as to the issuance of bonds in escrow or otherwise, and as to the use and disposition of the bond proceeds;
- (6) provide for the replacement of lost, destroyed, or mutilated bonds;
- (7) covenant against extending the time for the payment of its bonds or interest on them;
- (8) covenant for the redemption of the bonds and provide the terms and conditions for them;
- (9) covenant, subject to the limitations contained in this part as to the rents and fees to be charged in the operation of a housing project, the amount to be raised each year or other period of time by rents, fees, and other revenues, and as to the use and disposition of the revenues;
- (10) authorize the creation of special funds for money held for construction or operating costs, debt service, reserves, or other purposes, and covenant as to the use and disposition of the money held in those funds;
- (11) prescribe the procedure by which the terms of a contract with bondholders may be amended or abrogated, the proportion of outstanding bonds which must consent to the action, and the manner in which consent shall be given;
- (12) covenant as to the use, maintenance, and replacement of any or all of its real or personal property, the insurance to be carried on it, and the use and disposition of insurance money;
- (13) covenant as to the rights, liabilities, powers, and duties arising upon breach by it of a covenant, condition, or obligation;
- (14) covenant and prescribe as to 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 as to the terms and conditions upon which such declaration and its consequences may be waived;
- (15) vest in an obligee of the authority, or a specified proportion of them, the right to enforce the payment of bonds or any covenants securing or relating to the bonds;
- (16) vest an obligee with the right after default by the authority to take possession of and use, operate, and manage any project or any part of it or any funds connected with them, collect the rents and revenues arising from them, and dispose of them in accordance with the agreement with the authority;
- (17) provide the powers and duties of an obligee and limit the obligee's liabilities;
- (18) provide the terms and conditions upon which an obligee may enforce any covenant or rights securing or relating to the bonds;
- (19) exercise all or any part or combination of the powers granted and make any covenants in addition to the covenants expressly authorized in this section;
- (20) do any acts necessary, convenient, or desirable to secure its bonds; and
- (21) make any covenants or do any acts calculated to make the bonds more marketable.

Renumbered and Amended by Chapter 212, 2012 General Session

