

Effective 5/10/2016

17C-1-502 Sources from which bonds may be made payable -- Agency powers regarding bonds.

- (1) The principal and interest on a bond issued by an agency may be paid from:
 - (a) the income and revenues of the project area development financed with the proceeds of the bond;
 - (b) the income and revenue of certain designated project area development regardless of whether the project area development is financed in whole or in part with the proceeds of the bond;
 - (c) the income, proceeds, revenue, property, or agency funds derived from or held in connection with the agency's undertaking and implementation of project area development;
 - (d) project area funds;
 - (e) agency revenues generally;
 - (f) a contribution, loan, grant, or other financial assistance from a public entity in aid of project area development, including the assignment of revenue or taxes in support of an agency bond; or
 - (g) funds derived from any combination of the methods listed in Subsections (1)(a) through (f).
- (2) In connection with the issuance of an agency bond, an agency may:
 - (a) pledge all or any part of the agency's gross or net rents, fees, or revenues to which the agency's right then exists or may thereafter come into existence;
 - (b) encumber by mortgage, deed of trust, or otherwise all or any part of the agency's real or personal property, then owned or thereafter acquired; and
 - (c) make the covenants and take the action that:
 - (i) may be necessary, convenient, or desirable to secure the bond; or
 - (ii) except as otherwise provided in this chapter, will tend to make the bond more marketable, even though such covenants or actions are not specifically enumerated in this chapter.

Amended by Chapter 350, 2016 General Session