LC004429

2016 -- S 2357

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

$A\ N\quad A\ C\ T$

RELATING TO TOWNS AND CITIES - HOUSING PROJECT LOANS

Introduced By: Senator John A. Pagliarini

Date Introduced: February 10, 2016

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

1	SECTION 1. Chapter 45-33.3 of the General Laws entitled "Housing Project Loans" is
2	hereby repealed in its entirety.
3	CHAPTER 45-33.3
4	Housing Project Loans
5	45-33.3-1. Housing project loans Any housing authority created under chapter 25 or
6	26 of this title, and any redevelopment agency created under chapter 31 of this title, is authorized
7	to make loans as provided in this chapter to any one or more persons, partnerships, or
8	corporations for the purpose of financing the acquisition, construction, rehabilitation, or other
9	development of one or more lower income housing projects located within their respective
10	communities. For purposes of this chapter, a lower income housing project means one or more
11	buildings and structures, and all real and personal property associated therewith, to be used
12	primarily for residential rental purposes; provided, that not less than twenty percent (20%) of the
13	residential units in the project will be occupied or available for occupancy, for a term of years that
14	the authority or agency determines, by persons or families whose income is fifty percent (50%) or
15	less of the median gross income for the area in which the project is located, as determined by the
16	United States Department of Housing and Urban Development; and provided, further, that a
17	portion of the cost of the project has been approved prior to April 30, 1988 for funding by a
18	housing development grant under § 17 of the United States Housing Act of 1937 [42 U.S.C. §
19	1417, repealed by Pub. L. 90-448, Aug. 1, 1968].

1 45-33.3-2. Terms and conditions of loans. -- Loans made by a housing authority or 2 redevelopment agency pursuant to this chapter may be secured or unsecured, and may be in an 3 amount, payable on a date or dates, bear interest at a rate or rates, and otherwise have terms and 4 conditions relating to the loans, and to the lower income housing project financed by the loans, as 5 the housing authority or redevelopment agency determines or as may be required by the housing development grant for the project. The proceeds of the loan shall be applied to costs of the lower 6 7 income housing project not funded by the housing development grant, and to other costs of the 8 project, the making of the loan, the issuance of bonds, as provided in this chapter, and the funding 9 and maintenance of reserves to secure the loan or bonds as the housing authority or 10 redevelopment agency determines. Any housing authority and any redevelopment agency is 11 authorized to accept security interests and mortgages in personal property and real estate to secure 12 loans made or bonds issued under this chapter, and is empowered to exercise all of the rights of a 13 secured party or mortgagee with respect to the security.

<u>45-33.3-3. Bonds. --</u> (a) Any housing authority or redevelopment agency has power to
 issue bonds from time to time in its discretion for the purpose of funding any loan made under
 this chapter, or for the purpose of refunding, paying, or retiring bonds previously issued by it for
 that purpose.

(b) The bonds may be unsecured or secured by an assignment of the loan or any rights
thereunder, by a pledge of any income or revenue of the authority or the agency received on
account of loan, by a mortgage on or security interest in the lower income housing project
financed by it, by letters of credit, lines of credit or other credit instruments, or by any
combination of the preceding as the authority or agency determines in its discretion.

(c) The bonds of the authority or the agency are authorized by its resolution, may be
issued in one or more series, and shall be dated, mature at a time or times, bear interest at a rate or
rates, payable at a time or times, be in a form, be subject to terms of redemption, tender, or
repurchase and bear any other terms and conditions as the resolution, or any trust indenture,
mortgage, or other contract, providing for their issuance or securing the bonds, may provide.

(d) The bonds may be sold by the housing authority or redevelopment agency at public
 or private sale at a price or prices that the authority or agency determines.

30 (e) Except to the extent inconsistent with any provision of this chapter, the issue of
31 bonds pursuant to this chapter and their details, the rights of their holders and the rights, duties,
32 and obligations of the authority or agency in respect of the bonds are governed by the provisions
33 of chapters 27 and 33 of this title insofar as those provisions may be applicable.

34 <u>45-33.3-4. Powers supplementary. --</u> The authorization and enpowerments provided by

- 1 this chapter are in addition and supplemental to the powers conferred by any other law, and
- 2 nothing contained in this chapter shall be construed as limiting any other powers of a housing
- 3 authority or redevelopment agency.
 - SECTION 2. This act shall take effect upon passage.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO TOWNS AND CITIES - HOUSING PROJECT LOANS

1 This act would repeal the provisions of the general laws which authorized housing

2 authorities and redevelopment agencies to loan money for constructing low income housing.

This act would take effect upon passage.

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