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Passed on File.

Senate File 414
By UTZIG and VAN EATON.

Passed Senate, Date
Vote: Ayes..... Nays.....
Passed House, Date
Vote: Ayes..... Nays.....
Approved

A BILL FOR

An Act to declare the necessity of creating public bodies corporate and politic, to be known as housing authorities, to clear blighted areas and to provide housing in urban and rural areas for persons of low income, including farmers and veterans; to make land available for redevelopment by private enterprise or public agencies in accordance with approved redevelopment plans; to create or authorize the creation of such authorities in certain cities and counties or regions comprising cooperating counties; to define the powers and duties of authorities and to provide for the exercise of such powers, including acquiring property, exercising the power of eminent domain, issuing bonds and other obligations, and giving security therefor; to provide that authorities, their property and securities shall be exempt from taxation and assessment, and to confer remedies on obligees of authorities; to enable the advance preparation of projects so they can provide jobs and stimulate industry when necessary in the period of reconversion; and to authorize the creation of an advisory board to housing authorities composed of representatives of business, real estate, home financing and other interests.

Be It Enacted by the General Assembly of the State of Iowa:

- 1 Section 1. This act may be referred to as the "Housing
- 2 and Redevelopment law."
- 1 Sec. 2. It is hereby declared:

2 1. That there exist in urban and rural areas in the
3 state insanitary, unsafe, overcrowded dwelling accommodations;
4 that in such urban and rural areas within the state there is
5 a shortage of safe or sanitary dwelling accommodations avail-
6 able at rents or prices which persons of low income can
7 afford and that such shortage forces such persons to occupy
8 insanitary, unsafe and overcrowded dwelling accommodations;

9 2. That the aforesaid conditions, and the existence
10 of blighted areas, impair economic values and tax revenues;
11 that these conditions cause an increase in and spread of
12 disease and crime and constitute a menace to the health,
13 safety, morals and welfare of the residents of the state;
14 that these conditions necessitate excessive and
15 disproportionate expenditures of public funds for crime
16 prevention and punishment, public health and safety, fire
17 and accident protection, and other public services and
18 facilities;

19 3. That these areas in the state cannot be cleared,
20 nor can the shortage of safe and sanitary dwellings for
21 persons of low income be relieved, through the operation of
22 private enterprise, and that the construction of housing
23 projects for persons of low income, as herein defined, would
24 therefore not be competitive with private enterprise;

25 4. That the construction of such projects would make
26 housing available for returning veterans of low income who
27 are unable to provide themselves with decent housing on the

28 basis of the benefits heretofore made available to them
29 through certain government guarantees of loans to veterans
30 for the purchase of residential property ;

31 5. That the clearance, replanning and preparation for
32 rebuilding of these areas, the prevention or the reduction
33 of blight and its causes, and the providing of safe and
34 sanitary dwelling accommodations for persons of low income
35 are public uses and purposes for which the public money may
36 be spent and private property acquired and are governmental
37 functions of state concern ;

38 6. That there are also certain areas where the condition
39 of the title, the diverse ownership of the land to be assembled,
40 the street or lot layouts, or other conditions prevent a proper
41 development of the land, and that it is in the public interest
42 that such areas, as well as blighted areas, as herein defined,
43 be acquired by eminent domain and made available for sound
44 and wholesome development in accordance with a redevelopment
45 plan, and that the exercise of the power of eminent domain
46 and the financing of the acquisition and preparation of land
47 by a public agency for such redevelopment is likewise a public
48 use and purpose ;

49 7. That residential construction activity is closely
50 correlated with general economic activity and that the
51 undertakings authorized by this act to aid the production of
52 better housing and more desirable neighborhood and community
53 development at lower costs will make possible a more stable

54 and larger volume of residential construction which will
55 assist materially in achieving and maintaining full
56 employment; and

57 8. That it is in the public interest that advance
58 preparations for such projects and activities be made now,
59 and that the necessity in the public interest for the
60 provisions hereinafter enacted is hereby declared as a matter
61 of legislative determination.

1 Sec. 3. The following terms, wherever used or referred
2 to in this act, shall have the following respective meanings,
3 unless a different meaning clearly appears from the context:

4 1. "Authority" shall mean any of the public corporations
5 created or authorized to be created by this act.

6 2. "City" shall mean any city in the state, including
7 any city operation under special charter, under commission
8 government or under manager government.

9 3. "County" shall mean any county in the state.

10 4. "The city" shall mean the particular city for which
11 a particular housing authority is created.

12 5. "The county" shall mean the particular county for
13 which a particular housing authority is created.

14 6. "Governing body" shall mean, in the case of a city,
15 the city council or the commission, and in the case of a
16 county, the board of supervisors.

17 7. "Mayor" shall mean the mayor of the city or the
18 officer thereof charged with the duties customarily imposed

19 on the mayor or executive head of the city, provided that
20 “Mayor” shall mean the manager only in cities having manager
21 governments.

22 8. “Clerk” shall mean, in the case of a city, the clerk
23 of the city and in the case of a county, the county auditor.

24 9. “Area of operation”:

25 a. in the case of an authority of a city, shall include
26 such city and the area within five miles of the territorial
27 boundaries thereof; provided, however, that the area of
28 operation of an authority of any city shall not include any
29 area which lies within the territorial boundaries of some
30 other city as herein defined;

31 b. in the case of an authority of a county, shall
32 include all of the county for which it is created; and

33 c. in the case of a regional authority, shall include
34 all of the counties for which such regional authority is
35 created; provided, however, that the county authority or a
36 regional authority shall not undertake any project or projects
37 within the boundaries of any city, as herein defined, unless
38 a resolution shall have been adopted by the governing body
39 of such city, and by any authority to exercise its powers in
40 such city, declaring that there is a need for the county or
41 regional authority to exercise its powers within such a city.

42 10. “Federal government” shall include the United States
43 of America, the “Federal Public Housing Authority,” or any other
44 agency or instrumentality, corporate or otherwise, of the

45 United States of America.

46 11. "Blighted area" shall mean any area, including slum
47 areas, with buildings or improvements which, by reason of
48 delapidation, obsolescence, overcrowding, faulty arrangement
49 or design, lack of ventilation, light and sanitary facilities,
50 excessive land coverage or deleterious land use or obsolete
51 layout, or any combination of these or other factors, are
52 detrimental to the safety, health, morals, or welfare of the
53 community.

54 12. "Housing project" shall mean any work or undertaking:

55 a. to demolish, clear, or remove buildings from any
56 blighted area acquired by the authority; or

57 b. to provide decent, safe and sanitary urban or rural
58 dwellings, apartments, or other living accommodations for
59 persons of low income; such work or undertaking may include
60 buildings, land, equipment, facilities, and other real or
61 personal property for necessary, convenient, or desirable
62 appurtenances, streets, sewers, water service, utilities,
63 parks, site preparation, landscaping, administrative, community,
64 health, recreational welfare, or other purposes; or

65 c. to clear any areas acquired and install, construct,
66 or reconstruct streets, utilities, and site improvements essential
67 to the preparation of sites for uses in accordance with the
68 redevelopment plan;

69 d. to sell or lease land so acquired for uses in
70 accordance with the redevelopment plan; or

71 e. to accomplish a combination of the foregoing to carry
72 out a redevelopment plan.

73 13. "Project" shall mean a housing project or a
74 redevelopment project, or both. The term "project" also may
75 be applied to all real and personal property, assets, cash or
76 other funds held or used in connection with the development or
77 operation of the housing project or redevelopment project, as
78 the case may be.

79 14. "Redevelopment plan" shall mean a plan approved by
80 the governing body, or agency designated by it for that purpose
81 or authorized by law so to act, of each city or town in which
82 any of the area to be covered by a redevelopment project is
83 situated, which plan provides an outline for the development
84 or redevelopment of such area and is sufficiently complete:

85 a. to indicate its relationship to definite local
86 objectives as to appropriate land uses and improved traffic,
87 public transportation, public utilities, recreational and
88 community facilities and other public improvements;

89 b. to indicate proposed land uses and building requirements
90 in such area; and

91 c. to indicate the method for the temporary relocation
92 of persons living in such area; and also the method for
93 providing, unless already available, decent, safe and sanitary
94 dwellings to be cleared from said area, at rents within the
95 financial reach of the income groups displaced from such
96 substandard dwellings.

97 15. "Persons of low income" shall mean persons or families
98 who lack the amount of income which is necessary, as determined
99 by the authority undertaking a project, to enable them, without
100 financial assistance, to live in decent, safe, and sanitary
101 dwellings, without overcrowding; and the term "persons of low
102 income" shall include "farmers of low income" as herein defined.

103 16. "Farmers of low income" shall mean persons or families
104 who at the time of their admission to occupancy in a dwelling
105 of the authority:

106 a. derive their principal income from operating or
107 working upon a farm; and

108 b. whose average net income is less than the amount
109 which is necessary, as determined by the authority undertaking
110 a project, to enable them, without financial assistance, to
111 obtain or provide themselves with decent, safe and sanitary
112 housing.

113 17. "Bonds" shall mean any bonds, notes, interim
114 certificates, debentures, or other obligations issued by an
115 authority pursuant to this Act.

116 18. "Real property" shall include all lands, including
117 improvements and fixtures thereon, and property of any nature
118 appurtenant thereto, or used in connection therewith, and
119 every estate, interest and right, legal or equitable, therein,
120 including terms for years.

121 19. "Obligee of the authority" or "obligee" shall include
122 any bondholder, agents or trustees for any bondholders, or

123 lessor demising to the authority property used in connection
124 with a project, or any assignee or assignees of such lessor's
125 interest or any part thereof, and the federal government when
126 it is a party to any contract with the authority.

1 Sec. 4. In each city, as herein defined, and in each
2 county of the state there is hereby created a public body
3 corporate and politic to be known as the "housing authority"
4 of the city or county; provided, however, that such authority
5 shall not transact any business or exercise its powers hereunder
6 until or unless the governing body of the city or county, as
7 the case may be, by proper resolution shall declare it any time
8 hereafter that there is need for an authority to function in
9 such city or county. The governing body shall give consideration
10 as to the need for an authority:

11 1. On its own motion or

12 2. Upon the filing of a petition signed by twenty-five
13 (25) qualified voters of the city or county as the case may be,
14 asserting that there is need for an authority to function in
15 such city or county and requesting that its governing body so
16 declare. The governing body shall adopt a resolution declaring
17 that there is need for an authority in the city or county, as
18 the case may be, if it shall find:

19 a. That insanitary or unsafe inhabited dwellings
20 accommodations, or blighted areas, exist in such city or county,
21 or

22 b. That there is a shortage of safe or sanitary dwelling

23 accommodations in such city or county available to persons of
24 low income at rentals or prices they can afford.

1 Sec. 5. If the governing body of each of two (2) or more
2 contiguous counties by resolution declares that there is a
3 need for one (1) housing authority to be created for all of such
4 counties to exercise in such counties powers and other functions
5 prescribed for a regional authority, a public body corporate
6 and politic to be known as a regional authority shall thereupon
7 exist for all of such counties, and shall exercise its powers
8 and other functions in such counties, in lieu of the authority
9 for each such county. The governing body of each of two (2) or
10 more contiguous counties shall by resolution declare that there is a
11 need for one (1) regional authority to be created for all of such
12 counties to exercise in such counties powers and other functions
13 prescribed for a regional authority, if such governing body
14 finds:

15 1. That insanitary or unsafe inhabited dwelling
16 accommodations, or blighted areas, exist in such county or
17 there is a shortage of safe or sanitary dwelling accommodations
18 in such county available to persons of low income at rentals
19 or prices they can afford, and

20 2. That a regional authority would be a more efficient
21 or economical administrative unit than the authority of such
22 county to carry out the purposes of this Act in such county.

23 The area of operation of a regional authority shall be
24 increased from time to time to include one (1) or more additional

25 contiguous counties not already within a regional housing
26 authority if the governing body of such additional county or
27 counties makes the findings required by the preceding
28 paragraph; and if the counties then include in the area of
29 operation of such regional authority and the commissioners of
30 the regional authority adopt a resolution declaring that the
31 regional authority would be a more efficient or economical
32 administrative unit to carry out the purposes of this Act in
33 case the area of operation of the regional authority were
34 increased to include such additional county or counties.

35 The governing body of a county shall not adopt any
36 resolution authorized by this section unless a public hearing
37 has first been held. The clerk of such county shall give
38 notice of the time, place, and purpose of the public hearing
39 at least ten (10) days prior to the day on which the hearing is
40 to be held, in a newspaper published in such county, or if
41 there is no newspaper published in such county, then in a
42 newspaper published in the state and having a general circulation
43 in such county. Upon the date fixed for such public hearing
44 an opportunity to be heard shall be granted to all residents
45 of such county and to all other interested persons.

1 Sec. 6. When the governing body of a city adopts a
2 resolution as aforesaid, it shall promptly notify the mayor of
3 such adoption. Upon receiving such notice, the mayor, by and
4 with the advice and consent of the governing body, shall
5 appoint five (5) persons as commissioners of the authority created

6 for said city, and when the governing body of a county adopts
7 a resolution as aforesaid, said body shall appoint five (5)
8 persons as commissioners of the authority created for said county.

9 The commissioners who are first appointed pursuant to
10 this Act shall be designated to serve for terms of one (1), two
11 (2), three (3), four (4), and five (5) years, respectively, from
12 the date of their appointment, but thereafter commissioners
13 shall be appointed as aforesaid for a term of office of five (5)
14 years except that all vacancies shall be filled for the unexpired
15 term, all such appointments to be made by the official or body
16 making the original appointment.

17 The governing body of each county included in a regional
18 authority shall appoint one (1) person as a commissioner of such
19 authority, and each such commissioner to be first appointed by
20 the governing body may be appointed at or after the time of
21 the adoption of the resolution declaring the need for such
22 regional authority or declaring the need for the inclusion
23 of such county in the area of operation of such regional
24 authority. When the area of operation of a regional authority
25 is increased to include an additional county or counties as
26 provided above, the governing body of each such additional
27 county shall thereupon appoint one (1) additional person as a
28 commissioner of the regional authority. The governing body
29 of each county shall appoint the successors of the commissioner
30 appointed by it. The commissioners of a regional authority
31 shall be appointed for terms of five (5) years except that all

32 vacancies shall be filled for the unexpired terms.

33 A commissioner shall receive no compensation for his
34 services, but shall be entitled to the necessary expenses,
35 including traveling expenses, incurred in the discharge of
36 his duties. Each commissioner shall hold office until his
37 successor has been appointed and has qualified. A certificate
38 of the appointment or reappointment of any commissioner shall
39 be filed with authority and such certificate shall be conclusive
40 evidence of the due and proper appointment of such commissioner.

41 The powers of each authority shall be vested in the
42 commissioners thereof in office from time to time. A majority
43 of the commissioners of an authority shall constitute a quorum
44 of such authority for the purpose of conducting its business
45 and exercising its powers and for all other purposes. Action
46 may be taken by the authority upon a vote of a majority of
47 the commissioners present, unless in any case the by-laws of
48 the authority shall require a larger number. Meetings of the
49 commissioners of an authority may be held anywhere within the
50 perimeter boundaries of the area where the authority is authorized
51 to undertake a project. Appointments may be made by any persons
52 as commissioners of the authority who reside within such
53 boundaries or area, and who are otherwise eligible for such
54 appointments under this Act.

55 The commissioners of an authority shall elect a chairman
56 and vice-chairman from among the commissioners. An authority
57 may employ an executive director, technical experts and such

58 other officers, agents and employees, permanent and temporary,
59 as it may require, and shall determine their qualifications,
60 duties and compensation. For such legal services as it may
61 require, an authority may call upon the chief law officer of a
62 city or county or may employ its own counsel and legal staff.

63 An authority may delegate to one or more of its agents or
64 employees such powers or duties as it may deem proper.

1 Sec. 7. In determining, as provided in sections four
2, (4) and five (5) hereof, whether dwelling accommodations are
3 unsafe or insanitary, a governing body may take into consideration
4 the physical condition of the dwelling accommodations, the
5 degree of overcrowding, the percentage of land coverage, the
6 light, air, space and access available to the inhabitants of
7 such dwelling accommodations, the size and arrangement of the
8 rooms and adequacy of sanitary facilities and water supply, and
9 the extent to which conditions exist in such buildings which
10 endanger life or property by fire or other causes.

11 In any suit, action or proceeding involving the validity
12 or enforcement of or relating to any contract of the authority,
13 an authority shall be conclusively deemed to have become
14 established and authorized to transact business and exercise
15 its powers hereunder upon proof of the adoption of the resolution
16 or resolutions herein prescribed declaring the need for the
17 authority. Each such resolution or resolutions shall be
18 deemed sufficient if it declares that there is such need for
19 an authority and finds in substantially the terms provided in

20 the preceding sections, no further detail being necessary,
21 that the conditions therein enumerated exist. A copy of such
22 resolution duly certified by the clerk shall be admissable in
23 evidence in any suit, action or proceeding.

1 Sec. 8. No commissioner or employee of an authority shall
2 acquire any interest direct or indirect in any project or in
3 any property included or planned to be included in any project,
4 nor shall he have any interest direct or indirect in any contract
5 or proposed contract for materials or services to be furnished
6 or used in connection with any project. If any commissioner or
7 employee of an authority previously owned or controlled an
8 interest direct or indirect in any property included or planned
9 to be included in any project, he immediately shall disclose
10 such interest in writing to the authority and such disclosure
11 shall be entered upon the minutes of the authority. Failure
12 so to disclose such interest shall constitute misconduct in
13 office. Upon such disclosure such commissioner or employee
14 shall not participate in any action by the authority affecting
15 such property.

1 Sec. 9. For inefficiency or neglect of duty or misconduct
2 in office, a commissioner of an authority may be removed by
3 the mayor, or in the case of an authority for a county or
4 region, by the body which appointed such commissioners, but a
5 commissioner shall be removed only after a hearing and after he
6 shall have been given a copy of the charges at least ten (10)
7 days prior to such hearing and had an opportunity to be heard

8 in person or by counsel. In the event of the removal of any
9 commissioners, a record of the proceedings, together with
10 the charges and findings thereon, shall be filed in the
11 office of the clerk.

1 Sec. 10. An authority shall constitute a public body
2 corporate and politic, exercising public and essential
3 governmental functions, and having all the powers necessary
4 or convenient to carry out and effectuate the purposes and
5 provisions of this Act, but not the power to levy and collect
6 taxes or special assessments, including the following powers
7 in addition to others herein granted:

8 1. To sue and to be sued; to have a seal and to alter
9 the same at pleasure; to have perpetual succession; to make
10 and execute contracts and other instruments necessary or
11 convenient to the exercise of the powers of the authority;
12 and to make and from time to time amend and repeal bylaws,
13 rules and regulations, not inconsistent with this Act, to carry
14 into effect the powers and purposes of the authority.

15 2. Within its area of operation; to prepare, carry out,
16 and operate projects and to provide for the construction,
17 reconstruction, improvement, extension, alteration or repair
18 of any project or any part thereof.

19 3. To undertake and carry out studies and analysis of
20 the housing needs within its area of operation and of the
21 meeting of such needs, including data with respect to population
22 and family groups and the distribution thereof according to

23 income groups, the amount and quality of available housing
24 and its distribution according to rentals and sales prices,
25 employment, wages and other factors affecting the local
26 housing needs and the meeting thereof, and to make the
27 results of such studies and analysis available to the public
28 and the building, housing and supply industries; and to
29 engage in research and disseminate information on housing and
30 redevelopment.

31 4. To arrange or contract for the furnishing by any
32 person or agency, public or private, of services, privileges,
33 works, or facilities for, or in connection with its projects;
34 and, notwithstanding anything to the contrary contained in
35 this Act or in any other provision of law, to include in any
36 contract let in connection with a project, stipulations
37 requiring that the contractor and any subcontractors comply
38 with requirements as to minimum wages and maximum hours of
39 labor, and comply with any conditions attached to the
40 financial aid of the project.

41 5. To lease or rent any dwellings, accommodations, lands,
42 buildings, structures or facilities embraced in any project and,
43 subject to the limitations contained in this Act with respect
44 to the rental of dwellings in housing projects, to establish
45 and revise the rents or charges therefor; to own, hold, and
46 improve real or personal property; to purchase, lease, obtain
47 options upon, acquire by gift, grant, bequest, devise, or
48 otherwise any real or personal property or any interest therein;

49 to acquire by the exercise of the power of eminent domain
50 any real property; to sell, lease, exchange, transfer, assign,
51 pledge or dispose of any real or personal property or any
52 interest therein; to insure or provide for the insurance of
53 any real or personal property or operations of the authority
54 against any risks or hazards; to procure or agree to the
55 procurement of government insurance or guarantees of the
56 payment of any bonds or parts thereof issued by an authority,
57 including the power to pay premiums on any such insurance.

58 6. To invest any funds held in reserves or sinking
59 funds or any funds not required for immediate disbursement,
60 in property or securities in which saving banks may legally
61 invest funds subject to their control; to redeem its bonds
62 at the redemption price established therein or to purchase
63 its bonds at less than such redemption price, all bonds so
64 redeemed or purchases to be cancelled.

65 7. Within its area of operation: to determine where
66 blighted areas exist or where there is unsafe, insanitary or
67 overcrowded housing; to make studies and recommendations
68 relating to the problem of clearing, replanning and reconstruction
69 of blighted areas and the problem of eliminating unsafe,
70 insanitary or overcrowded housing; and to cooperate with the
71 city, the county, the state or any political subdivision
72 thereof in action taken in connection with such problems.

73 8. Acting through one (1) or more commissioners or other
74 persons designated by the authority; to conduct examinations

75 and investigations and to hear testimony and take proof under
76 oath at public or private hearings on any matter material for
77 its information; to administer oaths, issue subpoenas
78 requiring the attendance of witnesses or the production
79 of books and papers and to issue commissions or the
80 production of books and papers and to issue commissions
81 for the examination of witnesses who are outside of the
82 state or unable to attend before the authority, or excused
83 from attendance; to make available to appropriate agencies,
84 including those charged with the duty of abating or requiring
85 the correction of nuisances or like conditions or of
86 demolishing unsafe or insanitary structures within its area
87 of operation, its findings and recommendations with regard
88 to any building or property where conditions exist which
89 are dangerous to the public health, morals, safety or
90 welfare.

91 9. To exercise all or any part or combination of
92 powers within granted.

93 No provision of law with respect to the acquisition,
94 operation or disposition of property by other public bodies
95 shall be applicable to an authority unless the legislature
96 shall specifically so state.

1 Sec. 11. It is hereby declared to be the policy of this
2 state that each authority shall manager and operate its housing
3 projects in an efficient manner so as to enable it to fix the
4 rentals or payments for dwelling accommodations at low rates

5 consistent with its providing decent, safe and sanitary
6 dwelling accommodations for persons of low income and that
7 no authority shall construct or operate any housing project
8 for profit, or as a source of revenue to the city or the county.

9 To this end an authority shall fix the rentals or payments for
10 dwellings in its projects at no higher rates than it shall
11 find to be necessary in order to produce revenues which,
12 together with all other available moneys, revenues, income
13 and receipts of the authority from whatever sources derived,
14 will be sufficient;

15 1. To pay, as the same becomes due, the principal and
16 interest on the bonds of the authority;

17 2. To create and maintain such reserves as may be
18 required to assure the payment of principal and interest as
19 it becomes due on its bonds;

20 3. To meet the cost of, and to provide for, maintaining
21 and operating the projects, including necessary reserves
22 therefor and the cost of any insurance, and the administrative
23 expenses of the authority; and

24 4. To make such payments in lieu of taxes as it determines
25 are consistent with the maintenance of the low-rent character
26 of projects.

1 Sec. 12. In the operation or management of housing
2 projects an authority shall at all times observe the following
3 duties with respect to rentals and tenant admissions:

4 1. It may rent or lease the dwelling accommodations therein

5 only to persons of low income and at rentals within the financial
6 reach of such persons of low income.

7 2. It may rent or lease to a tenant dwelling accommodations
8 consisting of the number of rooms, but no greater number, which
9 it deems necessary to provide safe and sanitary accommodations
10 to the proposed occupants thereof, without overcrowding.

11 3. An authority in its operations within a city shall
12 not accept any person or persons as tenants in any housing
13 project if the person or persons who occupy the dwelling
14 accommodations have an aggregate annual net income in excess
15 of five (5) times the annual rental of the quarters to be
16 furnished such person or persons, except that in the case of
17 persons with three (3) or more dependents, such ratio
18 shall not exceed six (6) to one (1) ; in computing the rental
19 for this purpose of admitting tenants, there shall be included
20 in the rental the average annual cost, as determined by the
21 authority, to occupants of heat, water, electricity, gas,
22 cooking fuel and other necessary services or facilities,
23 whether or not the charge for such services and facilities is
24 included in the rental.

25 Nothing contained in this or the preceding section shall
26 be construed as limiting the power of an authority :

27 1. With respect to a housing project, to vest in an
28 obligee the right, in the event of a default by the authority
29 to take possession thereof or cause the appointment of a
30 receiver thereof, free from all the restrictions imposed by

31 this or the preceding section ; or

32 2. With respect to a redevelopment project, the right,
33 in the event of a default by a purchaser or lessee of land,
34 to acquire property and operate it free.

1 Sec. 13. It is hereby determined that housing cannot be
2 provided on farms except on the basis of individual applications
3 filed by the owners of such farms. The owner of a farm operated,
4 or worked upon, by a farmer of low income may file an application
5 with the authority established for that area, requesting that
6 it provide a dwelling on the farm for occupancy by that farmer
7 of low income, who may be the farm owner or the person operating
8 or working upon the farm. All applications received shall be
9 examined by an authority in the formulation of its farm housing
10 program.

11 No dwelling shall be provided on a farm by an authority
12 unless it has determined that, by reason of the character of
13 the farm with respect to which the dwelling is to be constructed
14 and the manner of its operation, the farmer is likely successfully
15 to carry out the undertakings required of him under his purchase
16 agreement or lease.

17 An authority shall have power to sell or rent dwellings
18 outside of cities and to make or accept such conveyances or
19 leases, including such covenants regarding the land and
20 dwellings described therein, which shall run with the land, if
21 the authority so stipulates, as it deems necessary to carry out
22 the rural housing purposes of this Act.

23 Until a purchaser makes full payment for a dwelling which
24 is constructed by an authority on a farm, such dwelling shall
25 continue to be the property of the authority regardless of the
26 title to the land on which it is constructed, and such dwelling
27 shall be exempt from taxation in the same manner as other
28 property of the authority. Any document making land available
29 for use by an authority shall be admitted to record, and
30 accordingly constitute notice, in the same manner as a deed or
31 other instrument relating to real estate.

32 When an authority provides a dwelling on a farm hereunder,
33 the owner of the farm living in the dwelling under a lease or
34 purchase agreement shall be entitled to receive the same
35 homestead exemption as if he had title to the dwelling.

1 Sec. 14. The authority may make land in a redevelopment
2 project available for use by private enterprise or public
3 agencies in accordance with the redevelopment plan. Such land
4 may be made available at its use value, which represents the
5 value, whether expressed in terms of rental or capital price,
6 at which the authority determines such land should be made
7 available in order that it may be developed or redeveloped
8 for the purposes specified in such plan.

9 To assure that land acquired in a redevelopment project
10 is used in accordance with the redevelopment plan, an authority,
11 upon the sale or lease of such land, shall obligate purchasers
12 or lessees:

13 1. To use the land for the purpose designated in the

14 redevelopment plan;

15 2. To begin the building of their improvements within
16 a period of time which the authority fixes as reasonable; and

17 3. To comply with such other conditions as are necessary
18 to carry out the purposes of this Act. Any such obligations
19 by the purchaser shall be covenants and conditions running
20 with the land where the authority so stipulates.

1 Sec. 15. Any two (2) or more authorities may join or cooperate
2 with one another in the exercise of any or all of the powers
3 conferred hereby for the purpose of financing; planning,
4 undertaking, constructing or operating a housing project or
5 projects located within the area of operation of any one (1)
6 or more of said authorities.

1 Sec. 16. The property of an authority is declared to
2 be public property used for essential public and governmental
3 purposes and such property of an authority shall be exempt from
4 all taxes and special assessments of the city, the county, the
5 state or any political subdivision thereof; provided, that
6 any property which the authority leases to private individuals
7 or corporations for development in connection with a
8 redevelopment project shall have the same tax status as if
9 such leased property were owned by such private individual
10 or corporation. In lieu of taxes on its property an authority
11 may agree to make such payments to the city or county, the
12 state or any political subdivision thereof as it finds
13 consistent with the maintenance of the low-rent character of

14 housing projects or the achievement of the purposes of this
15 Act.

1 Sec. 17. All projects of an authority shall be subject
2 to the planning, zoning, sanitary and building laws, ordinances,
3 and regulations applicable to the locality in which the project
4 is located. The authority shall conform to any redevelopment
5 plan, as herein defined, for the area in which the project is
6 located.

1 Sec. 18. An authority shall have power to issue bonds
2 from time to time in its discretion, for any of its corporate
3 purposes. An authority shall also have power to issue refunding
4 bonds for the purpose of paying or retiring bonds previously
5 issued by it. An authority may issue such types of bonds as it
6 may determine, including, without limiting the generality of
7 the foregoing, bonds on which the principal and interest are
8 payable:

9 1. Exclusively from the income and revenues of the project
10 financed with the proceeds of such bonds;

11 2. Exclusively from the income and revenues of certain
12 designated projects whether or not they are financed with
13 the proceeds of such bonds; or,

14 3. From its revenues generally. Any such bonds may
15 be additionally secured by a pledge of any grant or contributions
16 from the federal government or other source, or a pledge of
17 any income or revenue of the authority, or a mortgage of any
18 project, projects or other property of the authority.

19 Neither the commissioners of an authority nor any person
20 executing the bonds shall be liable personally on the bonds
21 by reason of the issuance thereof. The bonds and other
22 obligations of an authority, and such bonds and obligations
23 shall so state on their face, shall not be a debt of the city,
24 the county, the state or any political subdivision thereof and
25 neither the city or the county, nor the state or any political
26 subdivision thereof shall be liable thereon, nor in any event
27 shall such bonds or obligations be payable out of any funds
28 or properties other than those of said authority. The bonds
29 shall not constitute an indebtedness within the meaning of
30 any constitutional or statutory debt limitation or restriction.
31 Bonds of an authority are declared to be issued for an essential
32 public and governmental purpose and to be public instrumentalities
33 and, together with interest thereon and income therefrom, shall
34 be exempt from taxes.

1 Sec. 19. Bonds of an authority shall be authorized by
2 its resolution and may be issued in one (1) or more series and
3 shall bear such date or dates, mature at such time or times,
4 bear interest at such rate or rates, not exceeding six per
5 centum (6%) per annum, be in such denomination or denomi-
6 nations, be in such form either coupon or registered, carry
7 such conversion or registration privileges, have such rank
8 or priority, be executed in such manner, be payable in such
9 medium of payment, at such place or places, and be subject
10 to such terms of redemption, with or without premium, as such

11 resolution, its trust indenture or mortgage may provide.

12 The bonds may be sold at public or private sale at not
13 less than par.

14 In case any of the commissioners or officers of the
15 authority whose signatures appear on any bonds or coupons
16 shall cease to be such commissioners or officers before the
17 delivery of such bonds, such signatures shall, nevertheless,
18 be valid and sufficient for all purposes, the same as if such
19 commissioners or officers had remained in office until such
20 delivery. Any provision of any law to the contrary notwith-
21 standing, any bonds issued pursuant to this Act shall be
22 fully negotiable.

23 If any suit, action or proceedings involving the validity
24 or enforceability of any bond of an authority or the security
25 therefor, any such bond reciting in substance that it has been
26 issued by the authority to aid in financing a project, as
27 herein defined, shall be conclusively deemed to have been
28 planned, located and carried out in accordance with the
29 purposes and provisions of this Act.

1 Sec. 20. In connection with the issuance of bonds or
2 the incurring of obligations under leases and in order to
3 secure the payment of such bonds or obligations, an authority,
4 in addition to its other powers, shall have power:

5 1. To pledge all or any part of its gross or net rents,
6 fees or revenues to which its right then exists or may thereafter
7 come into existence.

8 2. To mortgage all or any part of its real or personal
9 property, then owned or thereafter acquired.

10 3. To covenant against pledging all or any part of its
11 rents, fees and revenues, or against mortgaging all or any
12 part of its real or personal property, to which its right or
13 title then exists or may thereafter come into existence or
14 against permitting or suffering any lien on such revenues
15 or property ; to covenant with respect to its right to sell,
16 lease or otherwise dispose of any housing project or any
17 part thereof ; and to covenant as to what other, or additional
18 debts or obligations may be incurred by it .

19 4. To covenant as to the bonds to be issued and as to
20 the issuance of such bonds in escrow or otherwise, and as
21 to the use and disposition of the proceeds thereof ; to provide
22 for the replacement of lost, destroyed or mutilated bonds ;
23 to covenant against extending the time for the payment of
24 its bonds or interest thereon ; and to covenant for the
25 redemption of the bonds and to provide the terms and conditions
26 thereof.

27 5. To covenant, subject to the limitations contained
28 in this Act as to the rents and fees to be charged in the
29 operation of a housing project or projects, the amount to be
30 raised each year or other period of time by rents, fees and
31 other revenues, and as to the use and disposition to be made
32 thereof ; to create or to authorize the creation of special
33 funds for moneys held for construction or operating costs,

34 debt service, reserves, or other purposes, and to covenant
35 as to the use and disposition of the moneys held in such
36 funds.

37 6. To prescribe the procedure, if any, by which the terms
38 of any contract with bondholders may be amended or abrogated,
39 the amount of bonds the holders of which must consent
40 thereto and the manner in which such consent may be given.

41 7. To covenant as to the use, maintenance and replacement
42 of any or all of its real or personal property, the insurance
43 to be carried thereon and the use and disposition of insurance
44 moneys.

45 8. To covenant as to the rights, liabilities, powers
46 and duties arising upon the breach by it of any covenant,
47 condition, or abrogation; and to covenant and prescribe as
48 to events of default and terms and conditions upon which any
49 or all its bonds or obligations shall become or may be
50 declared due before maturity, and as to the terms and conditions
51 upon which such declaration and its consequences may be waived.

52 9. To vest in any obligees of the authority the right
53 to enforce the payment of the bonds or any covenants securing
54 or relating to the bonds; to vest in an obligee or obligees
55 holding a specified amount in bonds the right, in the event
56 of a default by said authority, to take possession of and use,
57 operate and manage any project or any part thereof or any
58 funds connected therewith, and to collect the rents and
59 revenues arising therefrom and to dispose of such moneys in

60 accordance with the agreement of the authority with such
61 obligees; to provide for the powers and duties of such
62 obligees and to limit the liabilities thereof; and to provide
63 the terms and conditions upon which such obligees may enforce
64 any covenant or rights securing or relating to the bonds.

65 10. To exercise all or any part or combination of the
66 powers herein granted; to make such covenants, other than
67 and in addition to the covenants herein expressly authorized,
68 and to do any and all such Acts and things as may be necessary
69 or convenient or desirable in order to secure its bonds, or,
70 in the absolute discretion of said authority, as will tend
71 to make the bonds more marketable notwithstanding that such
72 covenants, Acts or things may not be enumerated herein.

1 Sec. 21. An obligee of an authority shall have the
2 right in addition to all other rights which may be conferred
3 on such obligee, subject only to any contractual restrictions
4 binding upon such obligee:

5 1. By mandamus, suit, action or proceeding at law or
6 in equity to compel said authority and the commissioners,
7 officers, agents or employees thereof to perform each and
8 every term, provision and covenant contained in any contract
9 of said authority with or for the benefit of such obligee, and
10 to require the carrying out of any or all such covenants and
11 agreements of said authority and the fulfillment of all duties
12 imposed upon said authority by this Act.

13 2. By suit, action or proceeding in equity, to enjoin

14 any Acts or things which may be unlawful, or the violation
15 of any of the rights of such obligee of said authority.

1 Sec. 22. An authority shall have power by its resolution,
2 trust indenture, mortgage, lease or other contract to
3 confer upon any obligee holding or representing a specified
4 amount in bonds, the right in addition to all rights that
5 may otherwise be conferred, upon the happening of an event
6 of default as defined in such resolution or instrument, by
7 suit, action or proceeding in any court of competent
8 jurisdiction:

9 1. To cause possession of any project or any part
10 thereof to be surrendered to any such obligee.

11 2. To obtain the appointment of a receiver of any
12 project of said authority or any part thereof and of the
13 rents and profits therefrom. If such receiver be appointed,
14 he may enter and take possession of such project or any part
15 thereof and operate and maintain same, and collect and
16 receive all fees, rents, revenues, or other charges
17 thereafter arising therefrom, and shall keep such moneys
18 in a separate account or accounts and apply the same in
19 accordance with the obligations of said authority as the
20 court shall direct.

21 3. To require said authority and the commissioners
22 thereof to account as if it and they were the trustees of
23 an express trust.

1 Sec. 23. All real property of an authority shall be

2 exempt from levy and sale by virtue of an execution, and
3 no execution or other judicial process shall issue against
4 the same nor shall any judgment against an authority be a
5 charge or lien upon its real property ; provided, however,
6 that the provisions of this section shall not apply to or
7 limit the right of obligees to foreclose or otherwise enforce
8 any mortgage or other security of an authority or the
9 right of obligees to pursue any remedies for the enforcement
10 of any pledge or lien given by an authority on its
11 rents, fees or revenue or the right of the federal government
12 to pursue any remedies conferred upon it pursuant to
13 the provisions of this Act.

1 Sec. 24. In addition to the powers conferred upon an
2 authority by other provisions of this Act, an authority is
3 empowered to borrow money or accept contributions, grants
4 or other financial assistance from the federal government
5 for or in aid of any project within its area of operation,
6 to take over a lease or manage any project or undertaking
7 constructed or owned by the federal government, and to these
8 ends, to comply with such conditions and enter into such
9 mortgages, trust indentures, leases or agreements as may
10 be necessary, convenient or desirable. In any contract
11 with the federal government for annual contributions to
12 the authority, the authority may obligate itself, which
13 obligations shall be specifically enforceable and shall
14 not constitute a mortgage, notwithstanding any other laws,

15 to convey to the federal government the project to which such
16 contract relates, upon the occurrence of a substantial default
17 with respect to the covenants or conditions to which
18 the authority is subject; such contract may further provide
19 that in case of such conveyance, the federal government may
20 complete, operate, manage, lease, convey or otherwise deal
21 with the project in accordance with the terms of such contract:
22 provided, that the contract requires that, as soon
23 as practicable after the federal government is satisfied
24 that all defaults by reason of which it shall have acquired
25 the project have been cured and that the project will thereafter
26 be operated in accordance with the terms of the contract,
27 the federal government shall reconvey to the authority
28 the project as then constituted. It is the purpose and intent
29 of this Act to authorize every authority to do any and
30 all things necessary or desirable to secure the financial
31 aid or cooperation of the federal government in the undertaking,
32 construction, maintenance or operation of any project
33 by such authority.

1 Sec. 25. For the purpose of coordinating its activities
2 and undertakings under this Act with the needs and undertakings
3 of other local organizations and groups, an authority may
4 establish an advisory board consisting of the chairman of the
5 authority, who shall be chairman of the advisory board, and of
6 sufficient members to represent, so far as practicable: the
7 general public and consumers of housing; general business interests;

8 real estate, building and home financing interests; labor; any
9 official planning body in the locality; and church and welfare
10 groups. The members of the advisory board shall be appointed
11 by the chairman of the authority.

1 Sec. 26. An authority shall have the right to acquire by
2 the exercise of the power of eminent domain any real property
3 which it may deem necessary for its purposes under this Act
4 after the adoption by it of a resolution declaring that the
5 acquisition of the real property described therein is necessary
6 for such purposes. An authority may exercise the power of
7 eminent domain in the manner provided in Chapter three hundred
8 sixty-six (366), Code 1939, and Acts amendatory thereof and
9 supplementary thereto; or it may exercise the power of eminent
10 domain in the manner provided by any other applicable
11 statutory provisions for the exercise of the power of eminent
12 domain. Property already devoted to a public use may be
13 acquired in like manner, provided that no real property belonging
14 to the city, the county, the state or any political
15 subdivision thereof may be acquired without its consent.

1 Sec. 27. At least once (1) a year, an authority shall file
2 with the clerk a report of its activities for the preceding
3 year, and shall make recommendations with reference to such
4 additional legislation or other action as it deems necessary
5 in order to carry out the purposes of this Act.

1 Sec. 28. Notwithstanding any other evidence of legislative
2 intent, it is hereby declared to be the controlling legislative

3 intent that if any provision of this Act, or the application
4 thereof to any person or circumstances, is held invalid,
5 the remainder of the Act and the application of such
6 provision to persons or circumstances other than those
7 as to which it is held invalid, shall not be affected thereby.

1 Sec. 28. Insofar as the provisions of this Act are
2 inconsistent with the provisions of any other law, the provisions
3 of this Act shall be controlling.