§ 559. Bonds of an agency. 1. (a) An agency shall have power and is hereby authorized from time to time to issue its negotiable bonds and notes in conformity with applicable provisions of the uniform commercial code in such principal amount as, in the opinion of the agency, shall be necessary to provide sufficient funds for achieving its corporate purposes.

(b) An agency shall have power, from time to time, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and to issue bonds partly to refund bonds then outstanding and partly for any other purpose. The refunding bonds shall be sold and the proceeds applied to the purchase, redemption or payment of the bonds to be refunded.

2. Except as may otherwise be expressly provided by the agency, every issue of its notes and bonds shall be general obligations of the agency payable out of any revenues or moneys of the agency, subject only to any agreements with the holders of particular notes or bonds pledging any particular receipts or revenues, provided, however, that the payment of such bonds and notes, both as to principal and interest, may be further secured by a pledge of any loan, grant, or contribution from the federal government or other source, in aid of any urban renewal program or part thereof, or by a mortgage of any such urban renewal program, or part thereof, title to which is in the agency, or that payment of such bonds and notes, both as to principal and interest, or only as to interest, may be guaranteed by the municipality.

3. Bonds and notes of an agency shall be authorized by its resolution, shall bear such date or dates, mature at such time or times, in the case of any such note, or any renewals thereof, not exceeding seven years from the date of issue of such original note, and in the case of any such bond not exceeding fifty years from the date of issue, as such resolution or resolutions shall provide. The notes and bonds shall bear interest at such rate or rates, be in such denomination or denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment, at such place or places and be subject to such terms of redemption with or without premium, and be secured in such manner, as

such resolution or resolutions may provide. The bonds and notes may be sold by the agency at public or private sale, at such price or prices as the agency may determine.

4. Bonds and notes of an agency are hereby made securities in which all public officers and bodies of this state and all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including saving and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest funds, including capital, in their control or belonging to them, provided that such bonds and notes (1) are secured by an agreement between the agency and the federal government in which the agency agrees to borrow from the federal government and the federal government agrees to lend to the agency, prior to the maturity of such bonds or notes, monies in an amount which (together with any other monies irrevocably committed to the payment of principal and interest on such bonds or notes) will suffice to pay the principal on such bonds or notes with interest to maturity thereon, which monies under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such bonds or notes at their maturity, or (2) are guaranteed by the municipality as to principal and interest. Such bonds and notes are also hereby made securities which may be deposited with and shall be received by all public officers and bodies of this state and all municipalities, governments, and public corporations of this state, for any purpose for which the deposit of bonds or other obligations of this state is now or may be hereafter authorized or required.

5. In case any of the members or officers of an agency whose signatures appear on the bonds or coupons shall cease to be such members or officers before the delivery of such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if

they had remained in office until such delivery.

6. In connection with the issuance of bonds or the incurring of an obligation and to secure the payment of such bonds or other obligations, an agency, in addition to its other powers, may:

(a) pledge, covenant to pledge, or covenant against pledging, all or any part of the rents, fees, revenues, subsidies, grants or contributions to which its right then exists or may thereafter come into existence; covenant against permitting or suffering any lien thereon; it is the intention hereof that any pledge of revenues or other monies made by an agency shall be valid and binding from the time when the pledge has been made, that revenues or other monies so pledged and thereafter received by an agency shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act and that the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the agency, irrespective of whether such parties have notice thereof;

(b) mortgage, covenant to mortgage or covenant against mortgaging, all or any part of its property, real or personal, then owned or thereafter acquired; covenant against permitting or suffering any lien thereon;

(c) covenant with respect to limitations on its right to sell, lease or otherwise dispose of any project or part thereof;

(d) covenant as to the use of any or all of its properties, real or personal;

(e) create or authorize the creation of special funds segregating (1) the proceeds of any loans, grants, subsidies or contributions; (2) all the rents, fees and revenues of any project or projects; (3) any monies held for the payment of the principal of and interest on its bonds; and (4) any monies held for any reserves or contingencies; and covenant as to the use and disposal of the monies held in such funds.

(f) covenant as to any other matters of like or different character, which in any way affect the security or the protection of the bonds.

7. Neither the members of an agency nor any person executing the notes or bonds of an agency shall be liable personally on such notes or bonds or be subject to any personal liability or accountability by reason of the issuance thereof.