§ 25.10. Urban renewal notes. a. To effectuate the purposes of article eighteen of the state constitution and article fifteen of the general municipal law, any municipality which has authorized an urban renewal project may issue urban renewal notes, from time to time, in anticipation of the receipt of moneys for such project, or any part thereof, from (1) the sale of real property, or any interest therein, acquired for or incidental to such project; or (2) the United States government pursuant to title one of the housing act of nineteen hundred forty-nine, as amended; or (3) the state of New York pursuant to the general municipal law; or from any or all such sources. Such notes may be issued in anticipation of the receipt of such moneys whether or not such moneys are to be received or to become due and payable during the fiscal year in which such notes are issued.

b. Such notes shall mature within one year from the date of their issue and may be renewed from time to time, but each renewal shall be for a period not exceeding one year, provided that no such notes or any renewals thereof, issued in anticipation of the receipt of moneys for an urban renewal project, shall extend more than seven years beyond the date of the first such note or notes issued in connection with such project. In any event, urban renewal notes shall not be renewed after the receipt of the moneys in anticipation of which such notes were issued.

c. Where, prior to the effective date of this section, a municipality has issued a revenue anticipation note in anticipation of the receipt, of any such moneys, such note, or any renewal thereof, may be renewed, in whole or in part, by the issuance of an urban renewal note subject to the limitations of this section. In such event, the seven-year period specified in paragraph b of this section shall be computed from the date of issue of the original revenue anticipation note, and such urban renewal note shall be deemed a renewal note for the purposes of this chapter.

d. Urban renewal notes shall be redeemed from the moneys in anticipation of the receipt of which they were issued. However, if such moneys are not received or are not received in an amount sufficient to

redeem such notes in full, such notes, to the extent such moneys are not sufficient, shall be redeemed:

1. From any unincumbered balance in any fund which may be applied to the payment thereof;

2. By a budgetary appropriation; or

3. By the proceeds of the sale of serial bonds issued pursuant to section 93.00 of this chapter for the purpose of refunding such notes.

e. The total amount of urban renewal notes which a municipality may issue for any urban renewal project in anticipation of the receipt of any such moneys shall not exceed the total estimated cost of such project as stated in the certificate of the chief fiscal officer of the municipality approved and filed as hereinafter provided less (a) the total amount of any and all advances, loans and grants made by the federal government or by the state of New York to such municipality in aid of such project prior to and including the date of the issuance of any such note or notes; (b) the amount of any local grants-in-aid made or to be made for such project; and (c) the amount of the proceeds of the sale of any real property acquired for or incidental to such project actually received by such municipality prior to and including the date of the issuance of any such note or notes.

Such certificate of the chief fiscal officer of the municipality shall be in such form and shall contain such information as shall be prescribed by the state comptroller and shall be filed not more than fifteen nor less than three days before the sale of any such note or notes in the office of the state comptroller with the approval thereof of the commissioner of housing endorsed thereon.

f. All such moneys in anticipation of which any urban renewal note or notes shall have been issued, as thereafter received or collected, shall be set aside in a special bank account to be used only for the payment of such urban renewal notes as they become due. Any municipality may make budgetary appropriations for the redemption of urban renewal notes

whether or not required or otherwise authorized by law to do so. In the event such an appropriation is made, such municipality shall not be required to pay into such special account so much of such moneys as shall equal the amount of such appropriation but any moneys not so paid into such special account may be used in the manner provided by law or, if there is no provision of law pertaining to the use of such moneys, they shall be treated as surplus moneys for the fiscal year in which they are collected.