* NB The text of Article 5 of the former State Housing Law (cited herein as the "Municipal Housing Authorities Law"), as such article existed immediately prior to its repeal pursuant to section 227 of Chapter 808 of the Laws of 1939, is provided here for ease of reference and historical purposes as such text continues to be applicable for the New York City Housing Authority pursuant to the provisions of section 401 of the current Public Housing Law.

* ARTICLE 5
MUNICIPAL HOUSING AUTHORITIES

*** § 60. Short title.** This article shall be known and may be cited and referred to as the "municipal housing authorities law."

* NB The text of Article 5 of the former State Housing Law (cited herein as the "Municipal Housing Authorities Law"), as such article existed immediately prior to its repeal pursuant to section 227 of Chapter 808 of the Laws of 1939, is provided here for ease of reference and historical purposes as such text continues to be applicable for the

New York City Housing Authority pursuant to the provisions of section 401 of the current Public Housing Law.

* **§ 61. Finding.** It is hereby declared that in certain areas of counties, cities and first class villages of the state there exist unsanitary or substandard housing conditions owing to over-crowding and concentration of population, improper planning, excessive land coverage, lack of proper light, air and space, unsanitary design and arrangement, or lack of proper sanitary facilities; that there is not an adequate supply of decent, safe, and sanitary dwelling accommodations for persons of low income; that these conditions cause an increase and spread of disease and crime and constitute a menace to the health, safety, morals, welfare, and comfort of the citizens of the state, and impair economic values; that these conditions cannot be remedied by the ordinary operation of private enterprise; that the clearance, replanning, and reconstruction of the areas in which unsanitary or substandard housing conditions exist and the providing of decent, safe, and sanitary dwelling accommodations in said areas and elsewhere for persons of low income are public uses and purposes for which public money may be spent and private property acquired; and the necessity in the public interest for the provisions hereinafter enacted is hereby declared as a matter of legislative determination.

* NB The text of Article 5 of the former State Housing Law (cited herein as the "Municipal Housing Authorities Law"), as such article existed immediately prior to its repeal pursuant to section 227 of Chapter 808 of the Laws of 1939, is provided here for ease of reference and historical purposes as such text continues to be applicable for the New York City Housing Authority pursuant to the provisions of section 401 of the current Public Housing Law.

* **§ 62. Definitions.** The following terms, wherever used or referred to in this article, shall have the following meaning, unless a different meaning clearly appears from the context:

1. The term "authority" shall mean a municipal housing authority

established pursuant to this article by any county, city or first class village of the state.

2. The term "board" shall mean the state board of housing.

3. The term "municipality" shall mean the county, city or first class village establishing the authority.

3-a. The term "county" means a county not wholly included within a city.

3-b. The term "mayor" also includes the mayor of a first class village establishing the authority.

3-c. The term "village" means a village of the first class as defined in the village law.

3-d. The term "local legislative body" (a) in a city, means the local legislative board or body of such city as defined in the city home rule law; (b) in a county, means the board of supervisors or other legislative governing board or body of such county, and (c) in a village, means the board of trustees of the village.

3-e. The term "county executive" means the chairman of the board of supervisors or other administrative head of the county.

4. The term "comptroller" shall mean the comptroller in cities having a comptroller. In cities, counties and villages having no comptroller it shall mean the chief financial officer of such municipality.

5. The term "state" shall mean New York state.

6. The term "government" shall include the state and the federal government and any subdivision, agency or instrumentality, corporate or otherwise, of either of them.

7. The term "area" shall mean a section of the municipality wherein

the authority finds that unsanitary or substandard housing conditions exist. An area may include land whether improved or unimproved, and buildings or improvements not in themselves unsanitary or substandard, the inclusion of which is deemed necessary by the authority for the effective clearance, replanning or reconstruction of the section or any part thereof.

8. The term "project" shall mean a plan or undertaking (a) for the clearance, replanning, or reconstruction of an area or areas, or part or parts thereof and/or (b) for the providing for persons of low income, of housing accommodations in any section of the municipality, whether or not such section has unsanitary or substandard housing conditions. The term shall include the lands, buildings and improvements acquired, owned, constructed, managed or operated hereunder, to provide dwelling accommodations for persons of low income, and such stores, offices and other commercial or non-housing facilities as well as social, recreational or communal facilities, as may be deemed by the authority to be incidental or appurtenant to such plan or undertaking.

The term "federal project" shall mean a project aided or financed in whole or in part, by the federal government, where such government reserves the right to approve or supervise the construction or operation of the project.

The term "non-federal project" shall mean a project other than a federal project.

9. The term "bonds" shall include notes, debentures or other written evidences of indebtedness.

10. The term "mortgage" shall include deeds of trust, building and loan contracts or other instruments creating a lien.

11. The term "real property" shall include lands, lands under water, structures, and any and all easements, franchises and incorporeal hereditaments and every estate and right therein, legal and equitable, including terms for years and liens by way of judgment, mortgage or

otherwise.

12. "Obligee" shall include any bondholder, trustee or trustees for any bondholders, any lessor demising property to an authority used in connection with a project or any assignee or assignees of such lessor's interest, and the federal government, when it is a party to any contract with the authority.

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*** § 63. Establishment and organizations of authorities.** 1. An authority may be established by a county, city or first class village upon (i) the passage of a resolution by the local legislative body, authorizing the establishment of a housing authority and directing the mayor of the city or village, and in the case of counties, directing the county executive to file a certificate therefor; (ii) the filing by the mayor or county executive in the office of the board, and a duplicate in the office of the secretary of state, of a certificate signed by him and setting forth (a) the name of the authority; (b) the names of the members and their terms, specifying which member is chairman; and (c) a copy of the aforesaid resolution.

2. An authority shall consist of five members appointed by the mayor or county executive, as the case may be, and he shall designate the first chairman. Not more than one of the members may be an official of the municipality. In the event that an official of the municipality shall be appointed as a member of the authority, acceptance or retention of such appointment shall not be deemed a forfeiture of his office, or incompatible therewith or affect his tenure or compensation in any way. The term of office of a member of an authority who is an official of the municipality shall not be affected or curtailed by the expiration of the

term of his office.

3. The members who are first appointed shall be designated to serve for terms of one, two, three, four and five years respectively from the date of their appointment. Thereafter, the term of office shall be five years. A member shall hold office until his successor has been appointed and has qualified. Vacancies other than by reason of expiration of terms shall be filled for the unexpired term. Three members shall constitute a quorum. The mayor or county executive shall file with the board a certificate of the appointment or the reappointment of any member. A member shall receive no compensation for his services but he shall be entitled to the necessary expenses including traveling expenses incurred in the discharge of his duties. An authority may delegate to one or more of its agents or employees such powers or duties as it may deem proper.

4. The mayor, and in the case of counties, the county executive may remove a member of the authority for inefficiency, neglect of duty, or misconduct in office, but only after the member shall have been given a copy of the charges against him and an opportunity to be heard in person or by counsel in his own defense. In the event of removal, the mayor or county executive shall file in the office of the board a record of the proceedings together with a copy of the charges made against the member and his findings thereon. Pending the determination of charges against a member, the mayor, and in the case of counties, the county executive may suspend him from office.

5. An authority shall file with the board and with the municipality a copy of any by-laws, rules and regulations and amendments thereto adopted by it from time to time.

6. The territorial jurisdiction of an authority established by a county shall include all such county, except that such territorial jurisdiction shall not include any territory that lies within the boundaries of any city or first-class village, whether such city or village has or has not established an authority, unless the local legislative body of such city or first-class village shall by proper resolution consent to the inclusion of the city or first-class village

within the territorial jurisdiction of such county authority.

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*** § 64. Officers and employees.** 1. When the office of the first chairman of the authority becomes vacant, the authority shall select a chairman from among its members. An authority shall select among its members a vice-chairman, and it may employ a secretary, who shall be executive director, technical experts and such other officers, agents and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties and compensation. An authority may call upon the corporation counsel or chief law officer of the municipality for such legal services as it may require and it shall reimburse the municipality for the cost of such services, or it may employ its own counsel and legal staff. The secretary, and any counsel and assistant attorneys employed by an authority, shall be in the exempt class of the civil service.

2. No member or employee of an authority shall acquire any interest direct or indirect in a project or in any property then or thereafter included or planned to be included in a project, nor retain any interest direct or indirect in any property acquired subsequently to his appointment or employment which is later included or to his knowledge planned to be included in a project, nor shall he have any interest direct or indirect in any contract or proposed contract for materials or services to be furnished or used in connection with any project. If any member or employee of any authority owns or controls an interest direct or indirect in any property included in any project, which was acquired prior to his appointment or employment, he shall disclose such interest and the date of acquisition thereof in writing to the authority and such disclosure shall be entered upon the minutes of the authority.

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*** § 65. Loans and payments by municipality.** 1. A municipality may advance, lend or agree to lend to an authority, or it may pay or agree with an authority or government to pay to an authority, without reimbursement by or liability of the authority or government therefor, such sums as the authority may require for its administrative expenses not exceeding one million dollars for a city of more than a million inhabitants, two hundred thousand dollars for any other city, fifty thousand dollars for any county, or ten thousand dollars for any village.

2. A municipality may make such loans or payments out of any funds available for that purpose or it may direct the comptroller to issue and sell special revenue bonds or other similar obligations of the municipality and out of the proceeds thereof to make such loans or payments. The amount necessary to pay the principal and interest of such bonds or other obligations shall be included in the estimates of monies necessary to be raised by taxation to carry on the business of the municipality and shall be made a part of the tax levy for the year next following the year in which such loans or payments are made.

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*** § 66. Powers of authority.** An authority shall constitute a body both corporate and politic. It shall have the following powers in addition to others herein granted.

To investigate into living and housing conditions in the county, city or village and into the means and methods of improving such conditions; to determine where unsanitary or substandard housing conditions exist; to study and make recommendations concerning the municipal plan in relation to the problems of clearing, replanning and reconstruction of areas and the providing of housing accommodations for persons of low income, and to cooperate with any municipal or regional planning agency; to prepare, carry out and operate projects; to construct, reconstruct, improve, alter or repair or to provide for the construction, reconstruction, improvement, alteration or repair of any project or any part thereof; to take over any project undertaken by any government; to act as agent for the federal government in connection with a project; to arrange with the county, city or village or with a government for the furnishing, planning, replanning, opening, grading or closing of streets, roads, roadways, alleys or other places or facilities or for the acquisition by the municipality or by a government of property, options or property rights or for the furnishing of property or services in connection with a project; to lease or rent any of the housing or other accommodations or any of the lands, buildings, structures or facilities embraced in any project and to establish and revise the rents or charges therefor; to enter upon any building or property in order to conduct investigations or to make surveys or soundings necessary to carry out the purposes of the authority; to purchase, lease, obtain options upon, acquire by eminent domain or otherwise, sell, exchange, transfer, assign or mortgage any property real or personal or any interest therein; to acquire any property real or personal or any interest therein from any person, firm, corporation or government by gift, grant, bequest or devise; to own, hold, clear and improve property; to insure or provide for the insurance of the property or operations of the authority against such risks as the authority may deem advisable; to borrow money upon its bonds, notes, debentures or other evidences of indebtedness and to secure the same by mortgages upon property held or to be held by it or by pledge of its revenues, or in any other manner; to limit by contract, the exercise of any powers of the authority granted in this article; to invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement in property or securities in which savings banks may legally invest funds subject to their control; to sue and be sued; to have a seal and to alter the same at pleasure; to have perpetual succession; to make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the authority; to make and from time to time amend and repeal by-laws, rules and regulations not inconsistent with this article to carry into effect the powers and purposes of the authority; to conduct examinations and investigations and to hear testimony and take proof under oath at public or private hearings on any matter material for its information; to issue subpoenas requiring the attendance of witnesses or the production of books and papers and to issue commissions for the examination of witnesses who are out of the state or unable to attend before the authority, or excused from attendance; and to do all things necessary or convenient to carry out the powers given in this article. Any of the investigations or examinations provided for in this article may be conducted by the authority or by a committee appointed by it, consisting of one or more members thereof, or by counsel, or by an officer or employee specially authorized by the authority to conduct it. Any member of the authority, its counsel, or any person designated by it to conduct an investigation or examination shall have power to administer oaths, take affidavits and issue subpoenas or commissions.

* NB The text of Article 5 of the former State Housing Law (cited herein as the "Municipal Housing Authorities Law"), as such article existed immediately prior to its repeal pursuant to section 227 of Chapter 808 of the Laws of 1939, is provided here for ease of reference and historical purposes as such text continues to be applicable for the New York City Housing Authority pursuant to the provisions of section 401 of the current Public Housing Law.

*** § 67. Powers and duties of board.** The board shall collect and distribute information relating to the administration of housing authorities and to the construction, maintenance and operation of projects. The board shall suggest and assist in the preparation of legislation relating to housing authorities and their functions. The board may, in its discretion, prescribe methods and forms for keeping accounts, records and books to be used by an authority. The board may require an authority to file periodical reports not oftener than quarterly covering its operations and activities in a form prescribed by the board and may, from time to time, require specific answers to questions upon which the board may desire information. For the purpose of gathering information to enable the formulation of suggestions for legislation, the board may require an authority to submit additional information relating to the condition and affairs of an authority, its dealings, transactions or relationships.

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*** § 68. Projects.** An authority shall file with the board a copy of each proposed project embodying the plans, layout, estimated costs and proposed method of financing. The board shall with reasonable promptness transmit to the authority its criticisms and suggestions. Any change made in the project shall be filed with the board by the authority. At any time, upon request of the authority, the board shall submit to the authority its criticisms and suggestions with reference to any change in the project.

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*** § 69. Acquisition of property.** 1. When an authority has determined that unsanitary or substandard housing conditions exist in a section or sections of the municipality, it may secure options on real property in such areas or elsewhere. No authority may purchase or condemn or obligate itself to purchase or condemn real property except in connection with a project approved, if a federal project, by the federal government, or if a non-federal project, by the mayor, and in case of counties, by the county executive, and by the comptroller of the municipality. But an authority may purchase or obligate itself to purchase specific real property for proposed projects prior to such approval if such purchase is consented to in writing by the federal government in the case of a proposed federal project, or by the mayor or county executive and the comptroller in the case of a proposed non-federal project. An authority may, with the approval of the federal government, lease or acquire by purchase, eminent domain or otherwise, any property, real or personal, which it may deem necessary for any project or housing plan or undertaking of the federal government, and may, upon such terms and conditions as it may deem advisable, with or without consideration, lease, transfer, assign, convey, or deliver such property or possession thereof to such government.

2. In connection with projects located within their respective territorial boundaries, a municipality or government may, upon such terms, with or without consideration, as it may deem advisable, grant, sell, convey or lease any of its property to an authority or to a government, or render services or provide and maintain parks, sewage, or other facilities adjacent to or in connection with a project. A municipality may enter into an agreement with an authority or a government, upon such terms as it shall determine, with or without compensation, to open, pave, install, close or change the grade of streets, roads, roadways, alleys, sidewalks, or other places, to change the municipal map, to plan, replan, zone of rezone any section of the municipality. In connection with the exercise of this power a municipality may, if it deems advisable, incur the entire expense of any such public improvements located within its territorial boundaries without assessment against abutting property owners. Any statute,

charter, local law or ordinance to the contrary notwithstanding, any grant, sale, conveyance or lease may be made by a municipality or government to an authority or government, in connection with a project, without appraisal, public notice, advertisement or public bidding.

* NB The text of Article 5 of the former State Housing Law (cited herein as the "Municipal Housing Authorities Law"), as such article existed immediately prior to its repeal pursuant to section 227 of Chapter 808 of the Laws of 1939, is provided here for ease of reference and historical purposes as such text continues to be applicable for the New York City Housing Authority pursuant to the provisions of section 401 of the current Public Housing Law.

*** § 70. Eminent domain.** 1. The power of eminent domain may be exercised by or for an authority after the adoption by it of a resolution declaring that the acquisition of the property described therein is in the public interest and necessary for the public use and that such property is included in an approved project.

2. The authority may exercise the power of eminent domain pursuant to the provisions of the condemnation law with such modifications as are in this subdivision two provided. A certified copy of the authority's resolution shall be conclusive evidence as to the matters contained therein in any proceeding under the condemnation law to acquire the property or any part thereof described in such resolution. The proceeding shall be instituted by the presentation of a petition by the authority to the supreme court pursuant to section four of the condemnation law. The petition shall, in lieu of the statements required by subdivision one of section four of said law, set forth the name of the authority and the time and place of the filing of its certificate, and shall in addition to the matters required by said section four, state the amount or valuation at which each parcel of the real property to be acquired has been assessed for purposes of taxation on the tax rolls of the municipality for each of the three years preceding the date of the petition, which assessed valuation in case only part of an entire plot in a single ownership is to be acquired shall be pro-rated according to the area of the part so to be acquired.

Where it appears to the satisfaction of the court, at any stage of the proceedings, upon the petition of the authority, that the public interest will be prejudiced by delay, the court may after such notice to the parties in interest as it may prescribe, which notice, however, shall not be less than eight days and may be by posting upon the property or by publication in such paper or papers at such times as the court may require, order that the authority be permitted to enter immediately upon the real property described in the petition, or any part thereof, and to demolish any structures located thereon, and to proceed with the construction of the project thereon, upon depositing with the court a sum of money or in lieu thereof, bonds or obligations of the state or the United States of equivalent or greater value, not less than the last assessed valuation of the property, which the court shall find to be sufficient for the protection of the persons who may be entitled to the award. Such deposit or the proceeds thereof shall be applied, so far as it may be necessary for that purpose, to the payment of any award that may be made, with interest thereon, costs and expenses, and the residue, if any, shall be returned to the authority.

An authority may petition the municipality to institute proceedings under its charter or other law, to acquire property described in the petition which the authority has certified to be necessary for a project. The resolution granting the petition shall set forth the amount to be paid by the authority to the municipality for such property or in lieu thereof that the authority shall pay to the municipality all sums expended or required to be expended by the municipality in the acquisition thereof, and the time of payment and manner of securing payment thereof, and may require that the municipality shall receive, before proceeding with the acquisition of such property, such assurances as to payment or reimbursement by the authority or otherwise as the municipality may deem advisable. Upon the passage of a resolution by the municipality granting the petition, the authority shall cause two surveys or maps of the property described in the petition to be made one of which shall be filed in the office of the authority and the other in the office in which instruments affecting real property in the county are recorded. The filing of such surveys or maps shall be conclusive evidence of the acceptance by the authority of the terms and conditions of such resolution. The municipality may proceed under any provision of its charter or other law applicable to the condemnation of real property for public improvements. When title to the property shall have vested in the municipality, it shall convey the same to the authority upon payment by the authority of the sums and the giving of the security required by the resolution granting the petition. As soon as title shall have vested in the municipality, the authority may, upon the authorization of the mayor or county executive, as the case may be, enter upon the property taken and carry out the terms of the project with respect thereto. Whenever in connection with eminent domain proceedings, requirement is made in any city charter or other law for the performance of an act by a department or officer of the municipality, it shall be regarded for the purposes of this section as compliance therewith if with the approval of the mayor or county executive such act is performed by the authority or by persons specially designated by it.

4. In the case of a federal project, the authority may, with the approval of the mayor or county executive, as the case may be, request the federal government to acquire by eminent domain property which the authority has certified to be necessary for the project.

5. In any proceedings for the assessment of compensation and damages for property taken or to be taken by eminent domain by or for an authority, the following provisions shall be applicable:

(a) Evidence of the price and other terms upon any sale or the rent reserved and other terms upon any lease or tenancy relating to any of the property taken or to be taken or to any similar property in the vicinity when the sale or leasing occurred or the tenancy existed within a reasonable time of the trial shall be admissible on direct examination. At any stage of the proceeding, the court or tribunal may require such prior notice to be given of an intention to introduce evidence as to the sale, leasing or tenancy of property other than the property directly involved in the proceeding and of particulars relating thereto as it may deem necessary to prevent surprise.

(b) The deposition of any person, whether or not a party, may be taken pursuant to article twenty-nine of the civil practice act, the rules of civil practice and the provisions of this section. Such deposition may be taken upon any question or issue in the proceeding, including the facts as to any sale, lease or tenancy admissible in evidence pursuant to this subdivision five. The deposition may be taken at the instance of the authority or of any owner or at the direction of the court, at any time during the pendency of the action or proceeding. At least five days' notice, or if service is through the mails, at least eight days' notice, shall be given of the taking of the testimony, if on the part of an owner, to the authority and to all other owners who have appeared in the proceeding; if by the authority, to all owners who have appeared in the proceeding.

(c) Any time during the pendency of such action or proceedings, an authority or an owner may apply to the court for an order directing an owner or the authority, as the case may be, to show cause why further proceedings should not be expedited, and the court may upon such application make an order requiring that the hearings proceed and that any other steps be taken with all possible expedition.

(d) For the purposes of this article, the award of compensation shall not be increased by reason of any increase in the value of the property caused by the clearance, reconstruction or proposed clearance or reconstruction under this article of the property or of the area in which the property is situated. No allowance shall be made for improvements begun on property after notice to the owner of such property of the institution of the proceedings to condemn such property.

(e) Evidence shall be admissible bearing upon the unsanitary, unsafe or substandard condition of the premises, or the illegal use thereof, or the enhancement of rentals resulting from such illegal use, and such evidence may be considered in fixing the compensation to be paid, notwithstanding that no steps to remedy or abate such conditions have been taken by the department or officers having jurisdiction. If a violation order is on file against the premises in any such department, it shall constitute prima facie evidence of the existence of the condition specified in such order.

(f) If any of the property included within the project is devoted to a public use, it may nevertheless be acquired provided that no property belonging to the municipality or to any government may be acquired without its consent, and no property belonging to a public utility corporation may be acquired without the approval of the commission or other officer or tribunal having regulatory power over such corporation.

(g) The term "owner," as used in this section, shall include a person having an estate, interest or easement in the property to be acquired or a lien, charge or encumbrance thereon.

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*** § 71. Sale or lease of projects to limited dividend corporations.** 1. A public limited dividend corporation may lease or purchase a project or a part thereof from an authority. The lease or sale shall be upon such terms including limitation of rentals, regulation of occupancy, recapture by the authority or by the municipality, as may be agreed upon between the corporation and the authority and approved by the board. A municipality, subject to the right of any government or the authority shall have the right of recapture of any property sold or leased by an authority to a public limited dividend corporation in the manner and upon the terms set forth in subdivision seven of section twenty-two of this act, but without limitation as to the time of exercise thereof.

2. Any provisions in this act to the contrary notwithstanding, the certificate of incorporation of a public limited dividend corporation may, with the approval of the board, empower the corporation to purchase or lease property from an authority and operate it subject to the supervision of the board and shall provide that any surplus or excess of the par value of the stock, together with cumulative dividends at the rate of six per centum per annum, shall upon dissolution revert to the authority. The capital structure of a corporation formed to purchase or lease such property shall be entirely in the discretion of the board except that the number of shares of stock of such corporation shall not

be less than ten. The restrictions contained in this act as to the type of project, and the amounts to be represented by mortgage, mortgage bonds, income debentures or stock, shall be inapplicable to a corporation formed to purchase or lease property from an authority.

3. The authority shall have the power to appoint a director to represent it on the board of directors of such corporation and to remove the director appointed by it at any time with or without cause, and upon the death, resignation or removal of such director to appoint a successor.

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*** § 72. Bonds and security therefor.** 1. An authority may from time to time issue bonds in such amounts and upon such terms as it may deem advisable to carry out the provisions of this article. Bonds of an authority shall be authorized by its resolution and may be issued singly or in one or more series, and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, not exceeding six per centum per annum, be in such denomination or denominations, interchangeable or otherwise, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, with or without authentication, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption, with or without premium, as such resolution may provide. The authority must obtain the approval as to the amount and terms of such bonds, of the board of estimate and apportionment in cities where such body exists, and in other cities, of the local legislative body thereof as defined in the city home rule law, except that such approval shall not be required for bonds issued in connection with a federal project. Bonds issued for a non-federal project in a city of more than one million inhabitants may include terms providing that the amount necessary to pay the interest thereon until maturity shall be paid to the authority by such city without reimbursement or liability of the authority to such city therefor. For the purpose of meeting such payments to the authority any such city shall be empowered to enact local laws imposing and collecting an occupation tax in addition to any and all other taxes which such city has the power to impose. Such tax shall be imposed upon any individual, copartnership or corporation occupying premises in any such city as an owner, tenant or concessionaire for any gainful purpose. Such tax shall be in an amount of not less than one dollar nor more than six dollars per year for each separate premises so occupied, the rate of tax to depend upon the size of such premises or upon such other reasonable standard as may be fixed in such local law. Revenues resulting from the imposition of taxes authorized by this act shall be paid into the treasury of any such city and shall not be credited or deposited in the general fund of any such city, but shall be deposited in a separate bank account or accounts and shall be available and used solely and exclusively for the purposes aforesaid. In no event and under no circumstances shall the payment of interest on such bonds by such city be deemed to modify in any way the provisions of section seventy-three of this act. The bonds for a federal project or non-federal project may be sold by the authority at public or private sale at such price or prices as the authority may determine.

The authority may issue its interim certificates, or other temporary obligations, to the purchaser of bonds pending the authorization, preparation, execution or delivery of definitive bonds. Such interim certificates, or other temporary obligations, shall be in such form, contain such terms, conditions and provisions, bear such date or dates, and evidence such agreements relating to their discharge or payment or the delivery of definitive bonds as the authority may by resolution determine.

In case any of the members or officers of the authority whose signatures appear on any 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.

Any provisions of any law to the contrary notwithstanding, any bonds, interim certificates, or other obligations issued pursuant to this act shall be fully negotiable unless such bonds, interim certificates or other obligations expressly provide otherwise.

2. Bonds may be issued for any purposes of the authority including the payment or reimbursement to the municipality for property, services or facilities furnished by it pursuant to agreement with the authority.

3. The authority shall have power out of any funds available therefor to purchase any bonds issued by it at a price not more than the principal amount thereof and the accrued interest. All bonds so purchased shall be cancelled. This paragraph shall not apply to the redemption of bonds.

4. No personal liability or accountability shall attach to any member of the authority or any official of the municipality or to any person executing said bonds by reason of the execution or issuance thereof.

5. The bonds of an authority are securities in which the city or state may invest. Such bonds, when they are (1) secured by a first mortgage lien not exceeding sixty-six and two-thirds per centum of the value of the property covered thereby, or (2) issued in connection with a project aided or financed in whole or in part by the federal government pursuant to the provisions of an act of the congress providing for capital grants for low cost housing, or for the making of loans and for the payment of annual contributions for such purpose under a contract guaranteeing the payment of such annual contributions by the federal government to the authority for a fixed period of years, are hereby declared to be securities in which all public officers and bodies of the state, municipalities, municipal subdivisions, all insurance companies and associations, all savings banks and savings institutions, including savings and loan associations, all executors, administrators, guardians, trustees, and all other fiduciaries in the state may legally invest funds within their control.

6. In connection with the issuance of bonds or the incurring of any obligation under a lease, and to secure the payment of such bonds or obligations, an authority in addition to its other powers may: (a) Pledge all or any part of its rents, fees, or revenues to which its right then exists or may thereafter come into existence.

(b) Mortgage all or any part of its property, real or personal, then owned or thereafter acquired.

(c) Covenant against mortgaging all or any part of its property, real or personal, then owned or thereafter acquired, or against permitting or suffering any lien thereon.

(d) Covenant with respect to limitations on its right to sell, lease, or otherwise dispose of any project or any part thereof.

(e) Covenant against pledging all or any part of its rents, fees and revenues, to which its right then exists or may thereafter come into existence, or against permitting or suffering any lien thereon.

(f) Covenant as to the bonds to be issued and as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the proceeds thereof.

(g) Covenant as to what other, or additional debts may be incurred by it.

(h) Provide for the replacement of lost, destroyed or mutilated bonds.

(i) Covenant that the authority warrants the title to the premises.

(j) Covenant as to the rents and fees to be charged, the amount to be raised each year or other period of time by rents, fees, and other revenues, and as to the use and disposition to be made thereof.

(k) Covenant as to the use of any or all of its property, real or personal.

(l) Create or authorize the creation of special funds segregating (a) the proceeds of any loans or grant; (b) all of the rents, fees and revenues of any project or projects; (c) any monies held for the payment of the costs of operation and maintenance of projects, or as a reserve for the meeting of contingencies in the operation and maintenance thereof; (d) any monies held for the payment of the principal and interest on its bonds or the sums due under its leases and/or as a reserve for such payments; and (e) any monies held for any other reserves or contingencies; and covenant as to the use and disposal of the monies held in such funds.

(m) Redeem the bonds, and covenant for their redemption, and provide the terms and conditions thereof.

(n) Covenant against extending the time for the payment of its bonds or interest thereon.

(o) Prescribe the procedure, if any, by which the terms of any contract with bond holders may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given.

(p) Covenant as to the maintenance of its property, the replacement thereof, the insurance to be carried thereon, and the use and disposition of insurance moneys.

(q) Vest in an obligee, in the event of a default by an authority, the right to cure any such default and to advance any monies necessary for such purpose, and covenant that the monies so advanced be an additional obligation of such authority with such interest, security and priority as may be provided in any trust indenture, mortgage, lease or contract.

(r) Covenant and prescribe as to the events of default and terms and conditions upon which any or all of its bonds shall become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived.

(s) Covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition, or obligation.

(t) Covenant to surrender possession of a project or projects or parts thereof upon the happening of an event of default; and vest in an obligee the right, upon such default, without judicial proceedings to take possession and use, operate, manage and control such projects or any part thereof, and to collect and receive rents, fees and revenues arising therefrom in the same manner as such authority itself might do, and to dispose of the monies collected in accordance with the agreement of such obligee with the authority.

(u) Vest in a trustee or trustees the right to enforce any covenant to secure, or pay the bonds, or otherwise relating to such bonds; provide for the powers and duties of such trustee or trustees, limit the liabilities thereof, and provide the terms and conditions upon which the trustee or trustees, or the holders of bonds, or any proportion of them, may enforce any such covenant.

(v) Vest in a government or in a trustee the right, upon any happening of an event of default, to foreclose the mortgage securing any bonds held by such government, through judicial proceedings or through the exercise of a power of sale without judicial proceedings.

(w) Vest in a trustee or trustees or in other obligees the right, upon the happening of an event of default, to foreclose any mortgage through judicial proceedings.

(x) Vest in an obligee, including a government, the right to foreclose any such mortgage as to all or such part or parts of the property covered thereby as such obligee shall elect; the institution, prosecution and conclusion of any such foreclosure proceedings or the sale of any such parts of the mortgaged property shall not affect in any manner or to any extent the lien of the mortgage on the parts of the mortgaged property not included in such proceedings or not sold as aforesaid.

(y) Make covenants other than, and in addition to, the covenants herein expressly authorized, of like or different character; and execute all instruments necessary or convenient in the exercise of the powers herein granted, or in the performance of its covenants or duties, which may contain such covenants and provisions, in addition to those above specified, as the government or any purchaser of the bonds of an authority may require.

(z) Make such covenants and do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds, or in the absolute discretion of an authority tend to make the bonds more marketable; notwithstanding that such covenants, acts or things may not be enumerated herein.

7. In addition to powers conferred upon an authority by other provisions of this act, an authority is empowered to borrow money or accept grants from the federal government for or in aid of any project, to take over any land acquired by the federal government or any housing plan of the federal government, to take over, manage or lease any housing undertaking of the federal government, and to these ends, to enter into such contracts, mortgages, trust indentures, leases or other agreements as the federal government may require, including agreements that the federal government shall have the right to supervise and

approve the construction, maintenance and operation of any project. It is the purpose and intent of this subdivision to authorize an authority to do any and all things necessary or desirable to secure the financial aid and co-operation of the federal government in the undertaking, construction, maintenance, lease, operation or assistance of any project by the authority, or in connection with any housing plan or undertaking of the federal government.

* NB The text of Article 5 of the former State Housing Law (cited herein as the "Municipal Housing Authorities Law"), as such article existed immediately prior to its repeal pursuant to section 227 of Chapter 808 of the Laws of 1939, is provided here for ease of reference and historical purposes as such text continues to be applicable for the New York City Housing Authority pursuant to the provisions of section 401 of the current Public Housing Law.

*** § 73. Non-liability of state or municipality.** The bonds or other obligations of an authority shall not be a debt of the state or the municipality and neither the state nor the municipality shall be liable thereon nor shall an authority have power in any way to pledge the credit of the state or the municipality, nor shall the transfer from the authority to the municipality or the vesting in the municipality of property theretofore belonging to an authority impose upon the municipality any obligation except such as it may expressly assume.

* NB The text of Article 5 of the former State Housing Law (cited herein as the "Municipal Housing Authorities Law"), as such article existed immediately prior to its repeal pursuant to section 227 of Chapter 808 of the Laws of 1939, is provided here for ease of reference and historical purposes as such text continues to be applicable for the New York City Housing Authority pursuant to the provisions of section 401 of the current Public Housing Law.

*** § 74. Tax exemptions.** 1. An authority shall be exempt from the payment of any taxes or fees to the state or any subdivision thereof or to any officer or employee of the state or subdivision thereof.

2. Bonds and mortgages of an authority are declared to be issued for a public purpose and to be public instrumentalities, and together with interest thereon, shall be exempt from tax.

3. The property of an authority shall be exempt from all local and municipal taxes. A municipality may (a) fix a sum which shall be paid to it annually by the authority in respect of each project; or (b) agree that the authority shall not pay or be liable to pay any sum whatsoever in respect of a project or projects for any year or years; or (c) agree with an authority or government upon the sum to be paid by the authority for any year or years in respect of a project or projects, or accept or agree to accept a fixed sum or other consideration in lieu of such payment; provided, however, that the sum fixed, or agreed to be paid by the authority, for any year shall in no case exceed the sum last levied as an annual tax upon the property included in such project prior to the time of its acquisition by the authority.

* NB The text of Article 5 of the former State Housing Law (cited herein as the "Municipal Housing Authorities Law"), as such article existed immediately prior to its repeal pursuant to section 227 of Chapter 808 of the Laws of 1939, is provided here for ease of reference and historical purposes as such text continues to be applicable for the New York City Housing Authority pursuant to the provisions of section 401 of the current Public Housing Law.

*** § 75. Foreclosure and other remedies.** 1. In an action to foreclose a mortgage on real property of an authority, the authority and the municipality, in addition to all other necessary parties, shall be made parties defendant and shall take such steps in said action as may be necessary to protect the public interest therein and no costs shall be awarded against them. Wherever under the instrument creating a lien a notice of default in writing is required to be served upon an authority before the institution of foreclosure proceedings, a copy of such notice shall be served upon the municipality before the institution of such proceedings. At such a sale of the property of the authority pursuant to foreclosure or other proceedings, the municipality may purchase the property affected.

2. In addition to any other rights and remedies, but subject to such limitations as may be made by contract, any lessor or mortgagee, or any trustee designated in the bonds of an authority or under a mortgage or indenture executed by an authority as security for its bonds may: (a) by mandamus or other suit, action or proceedings at law or in equity compel the authority to perform each and every term, provision and covenant contained in any agreement of the authority with such trustee, mortgagee or lessor and require the performance of any or all such covenants and agreements of the authority and of the duties imposed upon the authority by this article;

(b) by action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of such trustee, mortgagee or lessor;

(c) by suit, action or proceedings in any court of competent jurisdiction compel possession of any project or any part thereof to be surrendered to such trustee, mortgagee or lessor having the right to such possession under any agreement with the authority;

(d) by suit, action or proceedings in any court of competent jurisdiction obtain the appointment of a receiver of any project of the authority or any part thereof and of the rents and profits therefrom. If such receiver be appointed, he may enter and take possession of such project or any part or parts thereof and operate and maintain same, and collect and receive all fees, rents, revenues, or other charges thereafter arising therefrom in the same manner as the authority itself might do, and shall keep such monies in a separate account or accounts and apply the same in accordance with the obligations of the authority as the court shall direct;

(e) by action or suit in equity require an authority to account as if it were the trustee of an express trust.

* NB The text of Article 5 of the former State Housing Law (cited herein as the "Municipal Housing Authorities Law"), as such article existed immediately prior to its repeal pursuant to section 227 of Chapter 808 of the Laws of 1939, is provided here for ease of reference and historical purposes as such text continues to be applicable for the New York City Housing Authority pursuant to the provisions of section 401 of the current Public Housing Law.

*** § 76. Dissolution.** An authority or the city may apply to the supreme court in any county in which the city or any part thereof is located, for an order dissolving the authority. The court thereupon shall hold a hearing in open court after such notice of hearing as the court may require. Upon a showing to the satisfaction of the court that provision has been made for the payment or satisfaction of all of the outstanding obligations of the authority and for the necessary expenses for the liquidation thereof, the court may order that the authority be dissolved. Upon such dissolution the property of the authority shall be and become the property of the city.

* NB The text of Article 5 of the former State Housing Law (cited herein as the "Municipal Housing Authorities Law"), as such article existed immediately prior to its repeal pursuant to section 227 of Chapter 808 of the Laws of 1939, is provided here for ease of reference and historical purposes as such text continues to be applicable for the New York City Housing Authority pursuant to the provisions of section 401 of the current Public Housing Law.

*** § 77. Miscellaneous.** 1. For the purposes of the application of the lien law and of the general corporation law an authority shall be deemed to be a municipal corporation. The term "public improvement" used in the lien law shall be deemed to include an improvement upon real property belonging to an authority; the secretary of the authority shall, for the purposes of the lien law, be deemed to be the financial officer of the authority and the head of the department or bureau having charge of the construction of an improvement.

2. All projects of an authority shall be subject to the planning, zoning, sanitary and building laws, ordinances and regulations applicable to the locality in which the project is situated.

3. In order to protect funds deposited by an authority, all banks, bankers, trust companies or other persons carrying on a banking business, organized under the laws of the state, are authorized to give

to the authority an undertaking with such sureties as shall be approved by the authority, faithfully to keep and pay over upon the order of the authority any such deposits and agreed interest thereon, or in lieu of the said sureties, to deposit with the authority as collateral such securities and in such amounts as may be agreed upon with the authority pursuant to a collateral deposit agreement in form and terms satisfactory to the authority. The collateral to be deposited shall consist of securities in which savings banks may legally invest funds within their control.

4. This article is to be construed liberally to secure the beneficial interests and purposes thereof.

* NB The text of Article 5 of the former State Housing Law (cited herein as the "Municipal Housing Authorities Law"), as such article existed immediately prior to its repeal pursuant to section 227 of Chapter 808 of the Laws of 1939, is provided here for ease of reference and historical purposes as such text continues to be applicable for the New York City Housing Authority pursuant to the provisions of section 401 of the current Public Housing Law.

*** § 78. Effect of partial invalidity.** If any provision of this article or the application thereof to any person or circumstances is held invalid, the validity of the remainder of this article and of the application of such provision to other persons and circumstances shall not be affected thereby.

* NB The text of Article 5 of the former State Housing Law (cited herein as the "Municipal Housing Authorities Law"), as such article existed immediately prior to its repeal pursuant to section 227 of Chapter 808 of the Laws of 1939, is provided here for ease of reference and historical purposes as such text continues to be applicable for the New York City Housing Authority pursuant to the provisions of section 401 of the current Public Housing Law.