§ 1977-a. Bond and Note Authorization. 1. (a) For the purpose of financing project costs for the project for the Battery Park project area other than the financing of loans, advances and mortgage loans to housing companies organized to provide housing within the Battery Park project area, the authority may issue bonds and notes in an aggregate principal amount at any one time outstanding not exceeding three hundred million dollars, excluding bonds and notes issued to refund outstanding bonds and notes.

(b) Commodities and futures exchange facility. For the purpose of financing project costs to further the development of a commodities and futures exchange facility as part of the project to be located in the Battery Park project area, the authority may, in addition to the authorizations contained elsewhere in this title, borrow money by issuing bonds or notes in an aggregate principal amount not exceeding one hundred ten million dollars plus a principal amount of bonds or notes issued (i) to fund any related debt service reserve fund, (ii) to provide capitalized interest, and (iii) to provide fees and other charges and expenses, including underwriters' discount, related to the issuance of such bonds or notes and the maintenance of such reserves, all as determined by the authority, excluding bonds and notes issued to refund outstanding bonds and notes issued pursuant to this section. The authority may make loans from the proceeds of such issuance and may make temporary loans or advances, for the purpose of developing a commodities and futures exchange within the Battery Park project area, and may undertake commitments therefor. Any such loans, advances or commitments shall be secured by a mortgage on or security interest in the property interests of such exchanges within the Battery Park project area and shall contain such terms and conditions not inconsistent with the provisions of this title as the authority may deem necessary or desirable to secure payment of its loan, the interest thereon and other changes in connection therewith.

(c) Additional authorizations. In addition to the authorizations contained elsewhere in this title, the authority may issue indebtedness for the purpose of refunding outstanding indebtedness of the housing New York corporation which is secured by revenues of the authority, and indebtedness for the purpose of refunding such refunding indebtedness issued by the authority including the funding of reserves and providing

for fees and other charges and expenses, including underwriters' discounts, related to the issuance of such refunding bonds or notes, all as determined by the authority.

(d) Additional authorizations. For the purpose of financing capital costs in connection with development of the project area, the authority may, in addition to the authorizations contained elsewhere in this title, borrow money by issuing bonds or notes in an aggregate principal amount not exceeding one hundred fifty million dollars plus a principal amount of bonds or notes issued (i) to fund any related debt service reserve fund, (ii) to provide capitalized interest, and (iii) to provide for fees and other charges and expenses including any underwriters' discounts, related to the issuance of such bonds or notes, all as determined by the authority, excluding bonds and notes issued to refund outstanding bounds and notes issued pursuant to this section.

(e) Additional authorizations. For the purpose of financing costs of the state, the authority may, in addition to the authorizations contained elsewhere in this title, borrow money by issuing bonds or notes in an aggregate principal amount not exceeding two hundred fifty million dollars plus a principal amount of bonds or notes issued (i) to fund any related debt service reserve fund, (ii) to provide capitalized interest, and (iii) to provide for fees and other charges and expenses including any underwriters' discounts, related to the issuance of such bonds or notes, all as determined by the authority, excluding bonds and notes issued to refund outstanding bonds and notes issued pursuant to this section.

(f) Additional authorizations. For the purpose of financing capital costs in connection with a program of infrastructure construction, improvements and other capital expenditures for the project area, the authority may, in addition to the authorizations contained elsewhere in this title, borrow money by issuing bonds and notes in an aggregate principal amount not exceeding two billion five hundred million dollars, plus a principal amount of bonds or notes issued (i) to fund any related debt service reserve fund, (ii) to provide capitalized interest, and (iii) to provide for fees and other charges and expenses including any underwriters' discounts, related to the issuance of such bonds or notes, all as determined by the authority, excluding bonds and notes issued to refund outstanding bonds and notes issued pursuant to this section.

2. For the purposes of financing loans, advances and mortgage loans to housing companies organized pursuant to article two, article four or article eleven of the private housing finance law, including subsidiaries of the authority, for housing accommodations to be erected in the Battery Park project area, the authority may issue bonds and notes in an aggregate principal amount at any one time outstanding not exceeding four hundred million dollars, excluding bonds and notes issued to refund outstanding bonds and notes.

3. The fixing of the statutory maximums as provided in subdivisions one and two of this section shall not be construed as constituting a contract between the authority and the holders of its bonds or notes that additional bonds and notes may not be issued subsequently by the authority in the event that such statutory maximums shall subsequently be increased by law.

4. The authority shall have the power to enter into interest rate exchange agreements, which shall mean written contracts entered into in connection with the issuance of authority debt or in connection with such authority debt already outstanding to provide for exchange of payments based upon fixed and/or variable interest rates, and shall be for exchanges in currency of the United States of America only. The authority shall have the power: (a) until December thirty-first, two thousand three, to enter into such interest rate exchange agreements, and (b) thereafter to enter into replacements and substitutions for and amendments to exchange agreements, provided that no such replacement, substitution or amendment shall increase the notional principal amount under an exchange agreement or extend the term of an exchange agreement. The authority shall be subject to subdivision three of section sixty-nine-d of the state finance law.