

80.230 Issuance of bonds by city authorities.

- (1) Cities of all classes may provide funds for carrying out the purposes of this chapter by the issuance of revenue bonds pursuant to a resolution of the housing authority. The bonds or other obligations of a housing authority shall not constitute an obligation of the city. The bonds shall be payable only out of the properties, revenues, and assets of the housing authority. Nothing contained in this section shall authorize or permit any city to incur any indebtedness of any kind or nature prohibited by the Constitution. Subject to the restrictions set forth in this chapter, a city housing authority may incur any indebtedness and issue any obligations and give any security which it deems necessary or advisable in connection with any project undertaken by it. A city housing authority may issue its bonds to provide for the payment of its indebtedness from time to time in amounts, with maturities, upon the terms and conditions and upon the security as the authority deems necessary or advisable in connection with any project undertaken or to be undertaken by it. The bonds shall be signed by the chairman of the authority or other agent designated by the authority and by the mayor or by the presiding officer of the legislative body of the city under the city's seal, attested by a finance officer of the city.
- (2) A city housing authority may in connection with the borrowing of funds or otherwise enter into agreements with the federal government providing for supervision and control of the housing authority or any project and containing other covenants, terms, and conditions as the housing authority deems advisable. In connection with any loan by a government, a city housing authority is authorized to agree to limitations upon the exercise of any of its powers.
- (3) Bonds issued pursuant to this section shall have, in the hands of a bona fide holder, all of the qualities of negotiable instruments. They shall be exempt from taxation by the state and its political subdivisions. It shall be plainly stated on the face of each bond that it has been issued under the provisions of this chapter and that it does not constitute an indebtedness of the city within the meaning of any constitutional provisions or limitations. In case any provisions are made for the redemption or prepayment of any bonds before maturity, the provisions shall require that the bonds to be redeemed or prepaid shall be selected by lot from the whole number of the issue then outstanding. The bonds may be issued without any other proceedings or conditions than those proceedings and conditions specified and required by this chapter or by the Constitution.

Effective: July 15, 1996

History: Amended 1996 Ky. Acts ch. 274, sec. 15, effective July 15, 1996. -- Amended 1986 Ky. Acts ch. 23, sec. 3, effective July 15, 1986. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 2741x-10.