

VETOES

1-401.

(A) IT IS HEREBY DECLARED TO BE THE POLICY OF THE STATE THAT EACH AUTHORITY SHALL MANAGE AND OPERATE ITS HOUSING PROJECTS IN AN EFFICIENT MANNER SO AS TO ENABLE IT TO FIX THE RENT FOR DWELLING ACCOMMODATIONS AT THE LOWEST POSSIBLE RATES CONSISTENT WITH ITS PROVIDING DECENT, SAFE, AND SANITARY DWELLING ACCOMMODATIONS AND MEETING THE FINANCIAL NEEDS DESCRIBED IN SUBSECTION (B) OF THIS SECTION, AND THAT NO AUTHORITY SHALL OPERATE FOR PROFIT, OR AS A SOURCE OF REVENUE TO THE LOCAL JURISDICTION.

(B) AN AUTHORITY SHALL FIX THE RENTS FOR DWELLINGS IN ITS HOUSING PROJECTS AT NO HIGHER RATES THAN IT SHALL FIND TO BE NECESSARY IN ORDER TO PRODUCE REVENUES WHICH TOGETHER WITH ALL OTHER AVAILABLE MONEYS, REVENUES, INCOME, AND RECEIPTS OF THE AUTHORITY FROM WHATEVER SOURCES DERIVED WILL BE SUFFICIENT TO DO THE FOLLOWING:

(1) TO PAY, AS THE SAME BECOME DUE, THE PRINCIPAL AND INTEREST ON THE BONDS AND OTHER OBLIGATIONS OF THE AUTHORITY;

(2) TO MEET THE COST OF, AND TO PROVIDE FOR, MAINTAINING AND OPERATING THE HOUSING PROJECTS (INCLUDING THE COST OF ANY INSURANCE) AND THE ADMINISTRATIVE EXPENSES OF THE AUTHORITY;

(3) TO CREATE (DURING NOT LESS THAN THE 6 YEARS IMMEDIATELY SUCCEEDING ITS ISSUANCE OF ANY BONDS) A RESERVE SUFFICIENT TO MEET THE LARGEST PRINCIPAL AND INTEREST PAYMENTS WHICH WILL BE DUE ON SUCH BONDS IN ANY 1 YEAR THEREAFTER AND TO MAINTAIN SUCH RESERVE;

(4) TO CREATE RESERVES FOR OPERATIONS, EMERGENCIES, RENOVATIONS, REPLACEMENTS, OR THE REPAYMENT OF INDEBTEDNESS; AND

(5) TO OTHERWISE CREATE FUNDS NECESSARY OR DESIRABLE FOR SUBSIDIZING RENTS, DEVELOPING OR OPERATING HOUSING PROJECTS, OR OPERATING OR PROVIDING SERVICES LOCATED IN OR WHICH BENEFIT THE RESIDENTS OF HOUSING PROJECTS.

1-402.

(A) IN THE OPERATION OR MANAGEMENT OF HOUSING PROJECTS AN AUTHORITY SHALL AT ALL TIMES OBSERVE THE FOLLOWING REQUIREMENTS WITH RESPECT TO RENTALS AND TENANT SELECTION:

(1) AN AUTHORITY MAY RENT THE DWELLING ACCOMMODATIONS IN A HOUSING PROJECT ONLY TO PERSONS OF