

AN AUTHORITY SHALL FIX THE RENTS FOR HOUSING UNITS IN ITS HOUSING PROJECTS AT RATES NO HIGHER THAN IT FINDS NECESSARY TO PRODUCE REVENUES THAT WITH ALL OTHER AVAILABLE MONEY, REVENUE, INCOME, AND RECEIPTS WILL BE SUFFICIENT TO:

(1) PAY THE PRINCIPAL AND INTEREST ON BONDS OF THE AUTHORITY, AS THEY BECOME DUE;

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

(3) (I) CREATE DURING A PERIOD OF AT LEAST 6 YEARS RIGHT AFTER IT ISSUES ANY BONDS, A RESERVE THAT CAN MEET THE LARGEST PRINCIPAL AND INTEREST PAYMENTS THAT WILL BE DUE ON THE BONDS IN ANY YEAR THEREAFTER; AND

(II) MAINTAIN THE RESERVE;

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

(5) CREATE FUNDS NECESSARY OR DESIRABLE TO:

(I) SUBSIDIZE RENTS;

(II) DEVELOP OR OPERATE HOUSING PROJECTS; OR

(III) OPERATE OR PROVIDE SERVICES LOCATED IN HOUSING PROJECTS OR THAT OTHERWISE BENEFIT THEIR RESIDENTS.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 44A, § 1-401.

In subsections (a)(1) and (b) of this section, the references to "housing units" are substituted for the former references to "dwelling accommodations" and "dwellings" to conform to the terminology used throughout this article.

In subsection (a)(2) of this section, the defined term "political subdivision" is substituted for the former reference to "local jurisdiction" to conform to the terminology used throughout this article.

In subsection (b) of this section, the former reference to receipts "of the authority from whatever sources derived" is deleted as surplusage.

Defined terms: "Authority" § 12-101

"Bond" § 12-101

"Housing project" § 12-101

"Political subdivision" § 12-101