

NORTH CAROLINA GENERAL ASSEMBLY
1981 SESSION

CHAPTER 907
HOUSE BILL 1329

AN ACT RELATING TO HOUSING ASSISTANCE IN REDEVELOPMENT AREAS AND
THE ALLOCATION OF THE CEILING FOR MORTGAGE BONDS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 160A-503(19) is amended by deleting the period at the end of subsection d. and substituting therefor ", including the making of loans therefor; and".

Sec. 2. G.S. 160A-503(19) is amended by adding a new subsection at the end to read:

"e. To engage in programs of assistance and financing, including the making of loans, for rehabilitation, repair, construction, acquisition, or reconditioning of residential units in a redevelopment area."

Sec. 3. G.S. 160A-516(d) is amended by adding "either" before "public" and "or private" after "public" in the first sentence; by adding "public" after "Prior to the" in the second sentence; by deleting "to the government" in the second sentence; by deleting "government", where it appears as the last word of the second sentence, and substituting therefor "purchaser"; and by adding "Finance" after "Local Government" in the fourth sentence.

Sec. 4. G.S. 160A-516 is amended by adding a new subsection at the end to read:

"(g) Bonds (including, without limitation, interim and long-term notes) may be issued or sold under this Article at private sale upon such terms and conditions as may be negotiated and mutually agreed upon by the commission and the purchaser (who may be the government or other public or private lender or purchaser)."

Sec. 5. Chapter 280 of the Session Laws of 1981 is amended by adding, at the end, the following:

"The foregoing allocation of the State ceiling shall be reduced from time to time, however, by the aggregate amount (not to exceed thirty million dollars (\$30,000,000) per year) of obligations issued in the form of notes by a municipality, commission, or authority (if, and to the extent, such notes are deemed qualified mortgage bonds as defined in 26 U.S.C. § 103A(c) by the United States Department of the Treasury) in the exercise of its powers under the Urban Redevelopment Law (G.S. 160A-500 through G.S. 160A-543) or G.S. 160A-456 and G.S. 160A-457 (relating to community development purposes and activities). The allocation to the North Carolina Housing Finance Agency shall be reduced only from the date and to the extent the Agency receives and approves a written request from a municipality, commission, or authority stating its intent to issue such notes in a specified aggregate amount within 30 days.

The portion of the State ceiling reserved for the issuance of such notes shall be allocated between the municipalities, commissions and authorities by the Agency. In making its allocation the Agency shall consider the priority of filing the written request for allocation, the compliance of the requesting municipality, commission or authority with 26 U.S.C. § 103A et seq., and the availability of an allocation within the portion of the State ceiling allocated to municipalities, commissions and authorities. The Agency shall act on written requests for allocations within 45 days and shall receive such written requests from the effective date of this act until September 1, 1981, and from January 1 until July 1 of each successive year, after which any remaining unallocated portion of the portion of the State ceiling allocated to

municipalities, commissions and authorities by this act are hereby reallocated to the Agency for its use, except as hereinafter provided. This section shall not be construed to allow the Agency to deny a written request filed by a municipality, commission or authority prior to September 1, 1981, or prior to July 1 of each successive year for which a portion of the allocation of the State ceiling to municipalities, commissions or authorites remains unallocated on September 1, 1981, or on July 1 of each successive year; provided, that such requests for allocations comply with the criteria for allocation set forth herein.

If by November 1 of each year the North Carolina Housing Finance Agency has not declared its intention to use all of its allocation of the State ceiling (as previously reduced by Agency approval of written requests for allocations pursuant to the preceding paragraph), the unused portion of the allocation shall be deemed reallocated to, and reserved for, municipalities, commissions, and authorities for the issuance of notes, for the remainder of that calendar year. The reallocated portion of the ceiling shall be available to the municipalities, commissions, and authorities by submitting a written request to the Agency for an allocation pursuant to the preceding paragraph; provided, however, that a request filed after November 1 of each year shall be deemed to be approved if the Agency does not disapprove the request for allocation within 10 days following receipt of the written request by the Agency."

Sec. 6. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 9th day of July, 1981.