

## CHAPTER 23-11 HOUSING AUTHORITIES LAW

### 23-11-01. Definitions.

In this chapter, unless the context or subject matter otherwise requires:

1. "Area of operation" includes:
  - a. In the case of a housing authority of a city having a population of less than fifteen thousand inhabitants, the city and the area within five miles [8.05 kilometers] of the territorial boundaries of the city, but does not include any area that is within the territorial boundaries of another city.
  - b. In the case of a housing authority of a city having a population of fifteen thousand inhabitants or more, the city and an area within ten miles [16.10 kilometers] of the territorial boundaries of the city, but does not include any area that is within the territorial boundaries of another city.
  - c. In the case of a housing authority of a county, all of the county except that portion that is within the territorial boundaries of any city.
2. "Auditor" means the city auditor or the county auditor, as appropriate.
3. "Authority" or "housing authority" means any of the public corporations created by section 23-11-02.
4. "Bonds" means any bonds, notes, certificates, debentures, or other obligations issued by an authority under this chapter.
5. "City" means any city having a population of more than five thousand inhabitants according to the last federal census and "the city" means the particular city for which a particular housing authority is created, except that it does not mean a city that has agreed to or will so elect to participate in a county housing authority pursuant to section 54-40-08, provided that any city with less than five thousand population which has an activated city housing authority prior to July 1, 1971, or a city with less than five thousand population which has determined a shortage of safe or sanitary dwelling accommodations in the city pursuant to section 23-11-03, must be included within this definition.
6. "County" means any county in this state and "the county" means the particular county for which a particular housing authority is created.
7. "Federal government" includes the United States of America and any agency or instrumentality, corporate or otherwise, of the United States of America.
8. "Governing body" means, in the case of a city, the city council or the board of city commissioners, as appropriate, and in the case of a county, the board of county commissioners.
9. "Housing project" may be applied to the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration, and repair of the improvements, and all other work in connection with the same and means any work or undertaking:
  - a. To demolish, clear, or remove buildings from any slum area, and the work or undertaking may embrace the adaption of the area to public purposes, including parks or other recreational or community purposes;
  - b. To provide or assist in providing decent, safe, and sanitary urban or rural housing dwellings, apartments, or other living accommodations and related facilities for persons of low or moderate income in need of housing, including single-family and multifamily residential units designed and financed under this chapter. This work or undertaking may include the planning of buildings and improvements, land, equipment, facilities, and the acquisition of real or personal property that may be needed immediately or in the future for housing purposes, the construction, reconstruction, alteration and repair of new or existing buildings, and the provisions of all equipment, facilities, and other real or personal property for necessary, convenient, or desirable appurtenances, streets, sewers, water service, parks, site preparations, landscaping, gardening, administrative, community, health, recreational, educational, welfare, or other purposes; or

- c. To accomplish a combination of any of the foregoing projects.
10. "Mayor" means the mayor of the city or the president of the board of city commissioners, as appropriate.
  11. "Obligee of the authority" or "obligee" includes any bondholder, trustee for any bondholders, or lessor demising to the authority property used in connection with a housing project, or any assignee of a lessor's interest, or of any part of an interest, and the federal government when it is a party to any contract with the authority.
  12. "Persons of low income" means individuals or families who lack the amount of income which is necessary, as determined by the authority undertaking the housing project, to enable them, without financial assistance, to live in decent, safe, and sanitary dwellings without overcrowding.
  13. "Persons of moderate income" means individuals or families whose income is not adequate without governmental assistance to cause private enterprise to provide a substantial supply of decent, safe, and sanitary housing at rents or prices within their financial means.
  14. "Real property" includes land, including improvements and fixtures on the land and property of any nature appurtenant to the land or used in connection with the land, and every estate, interest, and right, legal or equitable, in the land, including terms for years and liens by way of judgment, mortgage, or otherwise and the indebtedness secured by the liens.
  15. "Slum" means any area where dwellings predominate which by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light, or sanitary facilities, or by reason of any combination of these factors are detrimental to safety, health, and morals.

#### **23-11-02. Creation of housing authorities.**

In each city and in each county of the state, there is created a public body corporate and politic to be known as the "housing authority" of the city or county, as the case may be. Such authority may not transact any business nor exercise any powers granted by this chapter until the governing body of the city or of the county, as the case may be, by proper resolution, declares that there is need for an authority to function in such city or county. The determination as to whether there is such need may be made by the governing body on its own motion and must be made upon filing of a petition signed by twenty-five residents of the city or county, as the case may be, asserting that there is need for such authority to function in such city or county and requesting that the governing body so declare.

#### **23-11-03. When resolution declaring housing authority to be necessary shall be adopted.**

1. The governing body of the city or county, as appropriate, shall adopt a resolution declaring that there is need for a housing authority in the city or county if the governing body finds that unsanitary or unsafe inhabited dwelling accommodations exist in the city or county, or that there is a shortage of safe or sanitary dwelling accommodations in the city or county available to persons of low or moderate income at rentals they can afford to pay.
2. In determining whether dwelling accommodations are unsafe or unsanitary, the governing body may take into consideration the degree of overcrowding, the percentage of land coverage, the light, air, space, and access available to the inhabitants of the dwelling accommodations, the size and arrangement of the rooms, the sanitary facilities, and the extent to which conditions which endanger life or property by fire or other causes exist in the buildings.

#### **23-11-04. When authority conclusively deemed established.**

In any suit, action, or proceeding involving the validity or enforcement of, or relating to, any contract of the authority, the authority must be conclusively deemed to have become established and authorized to transact business and exercise its powers hereunder upon proof

of the adoption of a resolution by the governing body of the city or county declaring the need for the authority. Such resolution must be deemed sufficient if it declares that there is need for an authority and finds that either or both of the conditions enumerated in section 23-11-03 exist in the city or county, as the case may be. A copy of the resolution, duly certified by the auditor of the city or county, is admissible in evidence in any suit, action, or proceeding.

**23-11-05. Commissioners of authority - Appointment, qualifications, tenure, compensation.**

When the governing body of a city adopts a resolution declaring there is need for a housing authority, the governing body promptly shall notify the mayor of the adoption. Upon receiving the notice, the mayor shall appoint no fewer than five commissioners of the authority. When the governing body of a county adopts a resolution declaring there is need for a housing authority, the governing body shall appoint no fewer than five commissioners of the authority. The commissioners must be appointed for terms of five years, except all vacancies must be filled for the unexpired term. The terms of the commissioners must be staggered to ensure an approximately equal number of appointments expire each year and the term of one or more commissioners may initially be less than five years to accommodate the required staggering of terms. A commissioner shall hold office until a successor has been appointed and has qualified. A certificate of the appointment or reappointment of any commissioner must be filed with the auditor of the city or county, as the case may be, and the certificate is conclusive evidence of the appointment of the commissioner. The governing body of the city or county shall establish the rate of compensation for commissioners and actual expenses incurred by commissioners may be reimbursed at the official reimbursement rates of the appointing authority.

**23-11-06. Chairman of commissioners of authority, appointment - Vice chairman, appointment - Quorum - Majority vote necessary.**

The mayor in the case of an authority of a city, or the governing body in the case of an authority of a county, shall designate which of the commissioners appointed must be the first chairman. When the office of the chairman of the authority thereafter becomes vacant, the commissioners of the authority shall select one of their number as chairman. The commissioners also shall select one of their number as vice chairman. Three commissioners constitute a quorum for the conduct of the business of the authority. Action may be taken by the authority upon a vote of a majority of the commissioners present unless the bylaws of the authority require a larger number.

**23-11-07. Powers of commissioners of authority.**

The powers of each authority must be vested in the commissioners of the authority. The authority may delegate to one or more of its agents or employees such powers and duties as it deems proper.

**23-11-08. Employees of authority - Duty of city and state's attorney - Legal assistants.**

The commissioners of an authority may employ a secretary who must be its executive director, and such technical experts, and other officers, agents, and employees, permanent and temporary, as it may require. The commissioners shall determine the qualifications of all persons employed and their duties and compensation. For such legal service as may be required, the commissioners may call upon the city attorney or the state's attorney, or they may employ counsel or a legal staff for the authority.

**23-11-09. Commissioner or employee may not have interest in housing project or property to be used.**

No commissioner or employee of an authority may acquire any direct or indirect interest in any housing project or in any property included or planned to be included in any project, nor may such a person have any direct or indirect interest in any contract or proposed contract for materials or services to be furnished or used in connection with any housing project. If any commissioner or employee of an authority owns or controls a direct or indirect interest in any

property included or planned to be included in any housing project, that person immediately shall disclose the same in writing to the authority, and such disclosure must be entered upon the minutes of the authority. Failure to disclose such interest constitutes misconduct in office.

#### **23-11-10. Removal of commissioners.**

A commissioner of an authority may be removed by the mayor, or in the case of an authority for a county, by the governing body of the county, for inefficiency, neglect of duty, or misconduct in office. A commissioner may be removed, however, only after having had an opportunity to be heard upon the charges in person or by counsel. A copy of the charges must be served upon the commissioner at least ten days before the date fixed for the hearing. In the event of the removal of any commissioner, a record of the proceedings, together with the charges and findings thereon, must be filed in the office of the auditor of the city or county, as the case may be.

#### **23-11-11. Powers of authority.**

An authority has the following powers and duties:

1. To exercise public and essential governmental functions.
2. To sue and be sued.
3. To have perpetual succession.
4. To make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the authority.
5. To make, amend, and repeal such bylaws, rules, and regulations, not inconsistent with this chapter, as are necessary to carry into effect the powers and purposes of the authority.
6. To prepare, carry out, acquire, lease, and operate housing projects within its area of operation.
7. To provide for the construction, reconstruction, improvement, alteration, or repair of any housing project, or any part of a housing project, within the authority's area of operation.
8. To arrange or contract for the furnishing by any person or any public or private agency of services, privileges, works, or facilities for, or in connection with, a housing project or the occupants of a housing project.
9. To include, in any contract let in connection with a project, stipulations requiring that the contractor and any subcontractor comply with requirements as to minimum wages and maximum hours of labor and any conditions that the federal government may have attached to the financial aid for the project.
10. To lease or rent any dwellings, houses, accommodations, lands, buildings, structures, or facilities embraced in any housing project and, subject to the limitations contained in this chapter, to establish and revise the rents or charges in the housing project.
11. To own, hold, and improve property.
12. To purchase, lease, obtain options upon, or acquire, by gift, grant, bequest, devise, or otherwise, any property or any interest in property.
13. Subject to chapter 32-15, to acquire real property by the exercise of the power of eminent domain.
14. To sell, lease, exchange, transfer, assign, pledge, or dispose of any property, or any interest in property.
15. To insure, or provide for the insurance of, any property, or any operation of the authority, against any risks or hazards.
16. To procure insurance or guaranties from the federal government of the payment of any debts, or parts of debts, secured by mortgages on any property included in any of the authority's housing projects, whether the debts were incurred by the authority or not.
17. To invest any funds held by the authority in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to a savings bank's control.
18. To purchase its bonds at a price not more than the principal amount of the bonds and accrued interest, a bond so purchased is canceled.

19. To investigate, in the authority's area of operation, living, dwelling, and housing conditions and the means and methods of improving the same.
20. To determine, within the authority's area of operation, where slum areas exist or where there is a shortage of decent, safe, and sanitary dwelling accommodations for persons of low or moderate income.
21. To make studies and recommendations relating to the problem of clearing, replanning, and reconstructing the slum areas within the authority's area of operation and the problem of providing dwelling accommodations for the persons of low or moderate income, and to cooperate with the city, county, or state, or any political subdivision in any action taken in connection with these problems.
22. To engage in research, studies, and experimentation on the subject of housing within the authority's area of operation.
23. To conduct examinations and investigations and to hear testimony and take proof under oath at public or private hearings on any matter material for the authority's information.
24. To administer oaths, issue subpoenas requiring the attendance of witnesses or the production of books and papers, and to issue commissions for the examinations of witnesses who are outside of the state or unable to attend before the authority or who are excused from attendance.
25. To make available to appropriate agencies, including those charged with the duty of abating or requiring the correction of nuisances or like conditions, or of demolishing unsafe or unsanitary structures within the authority's area of operation, the authority's findings and recommendations with regard to any building or property where conditions exist which are dangerous to the public health, morals, safety, or welfare.
26. To issue bonds from time to time for any of its corporate purposes.
27. To issue refunding bonds for the purpose of paying or retiring bonds previously issued by the authority.
28. To borrow money or accept grants or other financial assistance from the federal government for, or in aid of, any housing project within the authority's area of operation.
29. To take over or lease or manage any housing project or undertaking constructed or owned by the federal government.
30. To comply with conditions and to enter into mortgages, trust indentures, leases, or agreements as may be necessary, convenient, or desirable to carry out this section.
31. To do any and all things necessary or desirable to secure the financial aid or cooperation of the federal government in the undertaking, construction, maintenance, or operation of any housing project.
32. To exercise all or any part or combination of powers granted.
33. To exercise within the authority's area of operation the authority granted to the industrial commission under section 54-17-07.6.
34. To exercise the power to provide operation and maintenance expenses under subdivision a of subsection 23 of section 23-11-24.
35. To exercise the power to pledge the general obligation of the city or county for which the housing authority is created in accordance with subsection 23 of section 23-11-24.
36. To develop a plan identifying the public purposes of the authority's ownership, conditions that would make the authority's ownership no longer necessary for accomplishing those public purposes, and a plan to divest the authority's ownership interest as soon as economically prudent once those conditions occur and to effectuate the plan.
37. To exercise other powers and duties as may be necessary to carry out the purposes and provisions of this chapter.

An authority, in exercising the powers specified in subsections 23, 24, and 25, may act through one or more of the commissioners or through other persons designated by the authority. Provisions of law with respect to the acquisition, operation, or disposition of property by other public bodies are not applicable to an authority unless there is specific provision to that effect by

the legislative assembly. The construction of a housing project is a public improvement for which an authority is subject to the requirements of chapter 48-01.2.

**23-11-12. Rentals to be at lowest possible rate - Authority not to be operated for profit.**

Each housing authority shall manage and operate its housing projects in an efficient manner so as to enable it to fix the rentals for dwelling accommodations at the lowest possible rates consistent with its providing decent, safe, and sanitary dwelling accommodations. No housing authority may construct or operate any project for profit or as a source of revenue to the city or the county.

**23-11-13. Rentals - How fixed by authority.**

An authority shall fix the rentals for dwelling in its projects at no higher rates than it finds to be necessary in order to produce revenues which, together with all other available moneys, revenues, income, and receipts of the authority from whatever source derived will be sufficient to:

1. Pay, as the same become due, the principal and interest on the bonds of the authority;
2. Meet the cost of, and provide for maintaining and operating, the projects of the authority, including the cost of any insurance thereon, and the administrative expenses of the authority; and
3. Create, during not less than the six 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 one year thereafter, and to maintain such reserve.

**23-11-14. Rentals and tenant selection.**

In the operation or management of housing projects, an authority at all times shall observe the following duties with respect to rentals and tenant selection:

1. The authority may rent or lease the dwelling accommodations in the project solely to persons of low or moderate income.
2. The authority may rent or lease the dwelling accommodations in the project solely at rentals within the financial reach of persons of low or moderate income.
3. The authority may rent or lease to a tenant dwelling accommodations consisting solely of the number of rooms which the authority determines necessary to provide safe and sanitary accommodations to the proposed occupants, without overcrowding.
4. The authority may not accept persons of low income as a tenant in any housing project if the individual or family who would occupy the dwelling accommodations has an aggregate annual income in excess of five times the annual rental of the quarters to be furnished the individual or family. In computing the rental for this purpose, there must be included in the rental the average annual cost to the occupant, as determined by the authority, of heat, water, electricity, gas, cooking, and other necessary services or facilities, whether the charge for the services and facilities is in fact included in the rental.
5. The authority shall prohibit subletting by tenants.

**23-11-15. Right of authority to vest certain rights in obligee not restricted.**

Sections 23-11-12, 23-11-13, and 23-11-14 may not be construed as limiting or restricting the power of an authority to vest in an obligee the right, in the event of a default by the authority, to take possession of a housing project or to cause the appointment of a receiver thereof or to acquire title thereto through foreclosure proceedings.

**23-11-16. Cooperation between authorities.**

Any two or more authorities may join or cooperate with one another in the exercise of any or all of the powers conferred upon them for the purpose of financing, planning, undertaking, constructing, or operating a housing project or projects located within the area of operation of any one or more of such authorities.

**23-11-16.1. Dissolution of city housing authorities authorized - Procedure - Effect.**

The governing body of any city may, by resolution, dissolve the housing authority of such city for the purpose of electing to participate in a county housing authority pursuant to section 54-40-08. Upon the adoption of such a resolution the city authority shall cease to exist, except for the purpose of winding up its affairs and executing a deed to the county housing authority pursuant to the agreement executed between the city and the county under the provisions of section 54-40-08. All the rights, contracts, obligations, and property, real and personal, of the city authority must be transferred to and become vested in the county authority, provided that all bonded indebtedness issued by the city authority remains a lien against the income and revenues of the housing project pledged to the payment of such bonds. All rights and remedies of any person against the city authority may be asserted and enforced against the county authority to the same extent as they might have been against the city authority.

**23-11-17. Eminent domain - Exercise of power.**

As a prerequisite to the taking of real property by the exercise of the power of eminent domain, an authority shall adopt a resolution declaring that the acquisition of the real property described therein is necessary for its purposes under the provisions of this chapter. Such power may be exercised in the manner provided in sections 32-15-01 to 32-15-34, or by any other applicable provision of this code relating to the exercise of the power of eminent domain.

**23-11-18. Planning, zoning, and building laws.**

All housing projects of an authority are subject to the planning, zoning, sanitary, and building laws, ordinances, and regulations applicable in the locality in which the housing project is situated. In the planning and location of any housing project, an authority shall take into consideration the relationship of the project to any larger plan or long-range program for the development of the area in which the housing authority functions.

**23-11-19. Bonds - Issued pursuant to resolution - General provisions.**

Bonds of an authority must be issued pursuant to a resolution of the commissioners thereof.

The resolution must specify:

1. Whether the bonds must be issued in one or more series.
2. The date or dates which the bonds must bear.
3. The time or times at which the bonds must mature.
4. The interest rate or rates.
5. The denomination or denominations in which the bonds must be issued.
6. The form, either coupon or registered, in which the bonds must be issued.
7. The conversion or registration privileges, if any, which the bonds must carry.
8. The rank or priority which must exist between various issues of bonds and various kinds of bonds issued.
9. The manner in which the bonds must be executed.
10. The medium in which the bonds must be payable.
11. The place or places at which the bonds must be payable.
12. The terms of redemption, and whether with or without premium, to which the bonds are subject.

The conditions specified in the resolution may be printed in any trust indenture or mortgage given by the authority to secure any bonds issued by it.

**23-11-20. Bonds - Types which may be issued.**

1. An authority may issue any type of bond as the authority determines necessary for the purpose of financing housing for persons of low or moderate income, including a bond on which the interest and principal are payable:
  - a. Exclusively from the income and revenues of the housing project financed with the proceeds of the bond or with the proceeds together with a grant from the federal government in aid of the project;

- b. Exclusively from the income and revenues of certain designated housing projects whether the projects are financed in whole or in part with the proceeds of the bond; or
  - c. From the authority's revenues generally.
2. The bonds and other obligations of the authority are not payable out of any funds or properties other than those of the authority or funds of the city or county which has pledged its general obligation pursuant to subsection 23 of section 23-11-24. These bonds, however, may be secured additionally by a pledge of any loan, grant, or contribution, or part of the same, from the federal government or other source of a pledge of any income or revenues or by a mortgage on any housing project, projects, or other property of the authority.

**23-11-21. Bonds - Liability - Tax exempt.**

Neither the commissioners of an authority nor any person executing bonds of the authority is liable personally on the bonds by reason of the issuance of the bonds. The bonds and other obligations of an authority are not a debt of the city, county, or state, nor of any political subdivision, unless a city or county pledges its general obligation to the payment of the bonds under subsection 23 of section 23-11-24. The bond obligations are declared to be issued for an essential public and governmental purpose and to be public instrumentalities and the bonds, together with the interest on the bonds and income from the bonds are exempt from taxation. The tax exemption provisions of this chapter are considered part of the contract for the security of the bond obligations authorized by this chapter and do not need to be restated in the bond obligations.

**23-11-22. Sale of bonds.**

Bonds issued by an authority may be sold at a private sale without notice or at public sale held after a notice has been published at least five days prior to the sale in a newspaper having a general circulation in the city or county, as the case may be. Bond issues sold at private sale must bear interest at a rate or rates and be sold at a price resulting in an average net interest cost not exceeding twelve percent per annum. There is no interest rate ceiling on issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. The bonds may not be sold for less than ninety-eight percent of par.

**23-11-23. Bonds - Validity when officer who signs bond is no longer in office - Deemed issued for housing project.**

If any of the commissioners or officers of an authority whose signatures appear on any bonds or coupons cease to be a commissioner or officer before the delivery of the bonds, the signatures are valid and sufficient for all purposes the same as if the commissioner or officer had remained in office until the delivery had been completed. Any bonds issued under this chapter must be fully negotiable. In an action, suit, or proceeding involving the validity or enforceability of any bond of an authority or of the security for the bond, the bond must be deemed conclusively to have been issued for a housing project if the bond recites that it has been issued by the authority to aid in financing a housing project to provide dwelling accommodations for persons of low or moderate income. The project is planned, located, and constructed in accordance with this chapter if this statement is contained in the bond.

**23-11-24. Provisions of bonds, trust indentures, and mortgages.**

In connection with the issuance of bonds or the incurring of obligations under leases and in order to secure the payment of the bonds or obligations, an authority, in addition to the authority's other powers, has power:

1. To pledge all or any part of the authority's gross or net rents, fees, or revenues to which the authority's right then exists or thereafter may come into existence.
2. To mortgage all or any part of the authority's property then owned or thereafter acquired.



3. To covenant against pledging all or any part of the authority's rents, fees, and revenues, or against mortgaging all or any part of the authority's property, to which the authority's right or title then exists or thereafter may come into existence, or against permitting or suffering any lien on any revenues or property.
4. To covenant with respect to limitations on the authority's right to sell, lease, or otherwise dispose of any housing projects or any part of a housing project.
5. To covenant as to what other or additional debts or obligations may be incurred by the authority.
6. To covenant as to the bonds to be issued and as to the issuance of bonds in escrow or otherwise and as to the use and disposition of the proceeds of the bonds.
7. To provide for the replacement of lost, destroyed, or mutilated bonds.
8. To covenant against extending the time for the payment of the authority's bonds or interest on the bonds.
9. To redeem the bonds, to covenant for the bonds' redemption, and to provide the terms and conditions of redemption.
10. To covenant, subject to the limitations contained in this chapter, as to the rents and fees to be charged in the operation of a housing project or projects, the amount to be raised each year or other period of time by rents, fees, and other revenues, and as to the use and disposition to be made of the same.
11. To create, or to authorize the creation of, special funds for moneys held for construction or operating costs, debt service, reserves, or other purposes, and to covenant as to the use and disposition of the moneys held in these funds.
12. To prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent, and the manner in which consent may be given.
13. To covenant as to the use of any or all of the authority's property.
14. To covenant as to the maintenance of the authority's property, the replacement of property, the insurance to be carried on property, and the use and disposition of insurance moneys.
15. To covenant as to the rights, liabilities, powers, and duties arising upon the breach by the authority of any covenant, condition, or obligation.
16. To covenant and prescribe as to events of default and terms and conditions upon which any or all of the authority's bonds or obligations shall become, or may be declared, due before maturity, and as to the terms and conditions upon which the declaration and the declaration's consequences may be waived.
17. To vest in a trustee or trustees or in the holders of bonds, or any proportion of trustees or holders, the right to enforce the payment of the bonds or any covenants securing or relating to the bonds.
18. To vest in a trustee or trustees the right, in the event of a default by the authority, to take possession and to use, operate, and manage any housing project or part of the housing project, to collect the rents and revenues arising from the housing project, and to dispose of these moneys in accordance with the agreement of the authority with the trustee.
19. To provide for the powers and duties of a trustee or trustees and to limit the liabilities of the trustee.
20. To provide the terms and conditions upon which the trustee or trustees or the holders of bonds, or any proportion of trustees or holders, may enforce any covenant or rights securing or relating to the bonds.
21. To exercise all or any part or combination of the powers granted in this section.
22. To make covenants in addition to the covenants expressly authorized of like or different character.
23. To make covenants and to do any acts and things as may be necessary, convenient, or desirable in order to secure the authority's bonds, or, in the absolute discretion of the authority, as will tend to make the bonds more marketable notwithstanding that the covenants, acts, or things are not enumerated, including:

- a. To the payment of the principal of and interest on bond obligations, when due, there may be pledged as a first charge and lien the gross revenues of the housing project financed in whole or in part by the obligations, and the governing city or county may covenant to provide additional funds for the benefit of that housing project to the extent that the gross revenues in excess of those debt service requirements are not also sufficient from time to time to pay the reasonable operating and maintenance expenses of that housing project.
- b. The governing body of an authority may pledge the general obligation of the city or county for which the authority was created as additional security for bonds provided that the authority finds that the pledged revenues will equal or exceed one hundred ten percent of the principal and interest due on the bonds for each year, the maturity of the bonds does not exceed thirty-five years, and the principal amount of the issue and the general obligation pledge are approved by the governing body of the city or county in which the housing project is located and whose general obligation is pledged. A public hearing must be held on issuance of the obligations and the pledge of the general obligation by the city or county in which the housing project is located. The hearing must be held at least fifteen days, but not more than one hundred twenty days, before the sale of the obligations.

**23-11-25. Certification of attorney general as to legality of bonds.**

An authority may submit to the attorney general of this state any bonds to be issued hereunder after all proceedings for the issuance of such bonds have been taken. Upon the submission of such proceedings to the attorney general, the attorney general shall examine and pass upon the validity thereof and of the regularity of all proceedings in connection therewith. If such proceedings conform to the provisions of this chapter and otherwise are regular in form, and if the bonds, when delivered and paid for, will constitute binding and legal obligations of the authority enforceable according to the terms thereof, the attorney general shall certify in substance upon the back of each of said bonds that it is issued in accordance with the constitution and laws of the state of North Dakota.

**23-11-26. Rights and remedies of an obligee of authority.**

An obligee of an authority, in addition to all other rights which may be conferred on such obligee, and subject only to any contractual restrictions binding upon such obligee, may:

1. By mandamus, suit, action, or proceeding at law or in equity, compel the authority and the commissioners, officers, agents, or employees thereof, to perform each and every term, provision, and covenant contained in any contract of the authority with or for the benefit of such obligee, and require the carrying out of any or all such covenants and agreements of said authority and the fulfillment of all duties imposed upon said authority by this chapter.
2. By suit, action, or proceeding in equity, enjoin any act or thing which may be unlawful or in violation of any of the rights of such obligee of the authority.

**23-11-27. Additional remedies conferrable by authority on obligee.**

An authority, by its resolution, trust indenture, mortgage, lease, or other contract, may confer upon any obligee holding or representing a specified amount in bonds, or holding a lease, in addition to all rights that otherwise may be conferred, the right, upon the happening of an event of default as defined in such resolution or instrument, by suit, action, or proceeding, in any court of competent jurisdiction:

1. To cause possession of any housing project, or any part thereof, to be surrendered to such obligee.
2. To obtain the appointment of a receiver of any housing project of said authority, or of any part thereof, and of the rents and profits therefrom. If such receiver is appointed, the receiver may enter into and take possession of such housing project, or of any part thereof, and operate and maintain the same and collect and receive all fees, rents,

revenues, or other charges thereafter arising therefrom, and the receiver shall keep such moneys in a separate account or accounts and apply the same in accordance with the obligations of the authority as the court shall direct.

3. To require the authority and the commissioners thereof to account as if it and they were the trustees of an express trust.

### **23-11-28. Exemption of real property from execution sale.**

All real property of an authority, including an authority created under Indian laws recognized by the federal government, is exempt from levy and sale by virtue of an execution, and no execution or other judicial process may issue against the same nor may any judgment against any authority be a charge or lien upon its real property. The provisions of this section, however, do not apply to nor limit the right of obligees to foreclose or otherwise enforce any mortgage of an authority or the right of an obligee to pursue any remedies for the enforcement of any pledge or lien given by an authority on its rents, fees, or revenues.

### **23-11-29. Tax exemptions and payments in lieu of taxes.**

The property of an authority used for low-income housing, authority administration, or other property solely owned by the authority and used to conduct the powers granted to the authority in this chapter, including an authority created under Indian laws recognized by the federal government, is declared to be public property used for essential public and governmental purposes and is exempt from all taxes and special assessments of the state or any political subdivision. In lieu of taxes or special assessments, an authority may agree to make payments to the state or any political subdivision for improvements, services, and facilities furnished by the state or political subdivision for the benefits of a housing project. The payments may not exceed the estimated cost of the improvements, services, or facilities to be so furnished. Notwithstanding any other provision of law, the property of an authority used for moderate income housing is exempt from all taxes of the state or any political subdivision except special assessments unless specifically exempted from the special assessment by the political subdivision.

### **23-11-30. Reports.**

At least once every year, an authority shall file with the city auditor or county auditor, as the case may be, a report of its activities for the preceding year and shall make recommendations with reference to such additional legislation or other action as it deems necessary in order to carry out the purposes of this chapter.

### **23-11-31. Houses for workers in national defense and veterans.**

Any housing authority may undertake the development and administration of projects to assure the availability of safe and sanitary dwellings for persons engaged in national defense activities who, as determined by the housing authority, would not otherwise be able to secure safe and sanitary dwellings within the vicinity thereof. In the ownership, development, or administration of such projects, a housing authority has all the rights, powers, privileges, and immunities that such authority has under any provisions of law relating to the ownership, development, or administration of slum clearance and housing projects for persons of low income. The authority shall exercise such rights, powers, and privileges as though all the provisions of law applicable to slum clearance and housing projects for persons of low income were applicable to projects developed or administered to assure the availability of safe and sanitary dwellings for persons engaged in national defense activities as provided in this section. Housing projects developed or administered hereunder constitute housing projects under the provisions of this chapter. When a housing authority finds that within its area of operation, or any part thereof, there is an acute shortage of safe and sanitary dwellings which impedes the national defense program or the general welfare of veterans and that necessary and safe and sanitary dwellings would not otherwise be provided when needed for such persons, any project developed or administered by such housing authority or by any housing authority cooperating with such authority pursuant to this section, with the financial aid of the federal government or

as agent for the federal government as hereinafter provided, is not subject to the limitations provided in sections 23-11-13 and 23-11-14. Any such finding must be conclusive in any suit, action, or other proceeding. A housing authority may make payments in such amounts as it finds necessary or desirable for any services, facilities, works, privileges, or improvements furnished for or in connection with any such projects. After the national defense period any such projects owned and administered by a housing authority must be administered in accordance with the preceding sections of this chapter except veterans are not subject to the limitations in section 23-11-14.

**23-11-32. Cooperation with federal government.**

A housing authority may exercise any or all of its powers for the purpose of cooperating with, or acting as agent for, the federal government in the development or administration of projects by the federal government to assure the availability of safe and sanitary dwellings for persons engaged in national defense activities or veterans and may undertake the development or administration of any such projects for the federal government. In order to assure the availability of safe and sanitary housing for persons engaged in national defense activities or for veterans, a housing authority may sell, in whole or in part, to the federal government any housing project developed for such persons but not yet occupied by such persons. Such sale must be at a price and upon those terms the housing authority prescribes and must include provision for the satisfaction of all debts and liabilities of the authority relating to the project.

**23-11-33. Municipalities may cooperate.**

Any city, county, or other public body may cooperate with housing authorities, or with the federal government, with respect to the development or administration of projects, and necessary slum clearance, to assure the availability of safe and sanitary dwellings for persons engaged in national defense activities and for veterans.

**23-11-34. Powers of housing authority.**

This chapter constitutes an independent authorization for a housing authority to undertake the development or administration of projects to assure the availability of safe and sanitary dwellings for persons engaged in national defense activities and for veterans as provided in this chapter and for a housing authority to cooperate with, or act as agent for, the federal government in the development or administration of similar projects by the federal government. In acting under this authorization, a housing authority is not subject to any limitations, restrictions, or requirements of other laws, except those relating to land acquisition, prescribing the procedure or action to be taken in the development or administration of any public works, including slum clearance and housing projects for such persons or undertakings or projects of municipal or public corporations or political subdivisions or agencies of the state. A housing authority may do any and all things necessary or desirable to cooperate with, or act as agent for, the federal government, or to secure financial aid, in the expeditious development or in the administration of projects to assure the availability of safe and sanitary dwellings for persons engaged in national defense activities and for veterans and to effectuate the purposes of this chapter.

**23-11-35. Definitions.**

As used in sections 23-11-31 to 23-11-36:

1. "Administration" means any and all undertakings necessary for management, operation, or maintenance, in connection with any project, and includes the leasing of any project, in whole or in part, from the federal government.
2. "Development" means any and all undertakings necessary for the planning, land acquisition, demolition, financing, construction, or equipment in connection with a project, including the negotiation or award of contracts therefor, and includes the acquisition of any project, in whole or in part, from the federal government.
3. "Federal government" means the United States of America or any agency or instrumentality, corporate or otherwise, of the United States of America.

4. "Housing authority" means any housing authority established or hereafter established pursuant to the provisions of this chapter.
5. "Persons engaged in national defense activities" includes enlisted men in the military and naval services of the United States, employees of the war and navy departments assigned to duty at military or naval reservations, posts, or bases, and workers engaged or to be engaged in industries connected with and essential to the national defense program, and includes the families of the aforesaid persons who are living with them.
6. "Persons of low income" means persons or families who lack the amount of income which is necessary, as determined by the housing authority undertaking the housing project, to enable them, without financial assistance, to live in decent, safe, and sanitary dwellings, without overcrowding.
7. "Veteran" means a person, as defined by section 37-01-40, who may be eligible under the terms of sections 23-11-31 through 23-11-34 for aid or assistance.

The development of a project must be deemed to be initiated if a housing authority has issued any bonds, notes, or other obligations with respect to financing the development of such project of the authority, or has contracted with the federal government with respect to the exercise of powers hereunder in the development of such project of the federal government for which an allocation of funds has been made during the existence of this chapter.

**23-11-36. Powers not limited.**

The powers conferred by sections 23-11-31 to 23-11-35 are in addition and supplemental to the powers conferred by any other law, and nothing contained herein may be construed as limiting any other powers of a housing authority.