

No. 173

AN ACT

SB 1291

Amending the act of May 24, 1945 (P.L.991), entitled "An act to promote elimination of blighted areas and supply sanitary housing in areas throughout the Commonwealth; by declaring acquisition, sound replanning and redevelopment of such areas to be for the promotion of health, safety, convenience and welfare; creating public bodies corporate and politic to be known as Redevelopment Authorities; authorizing them to engage in the elimination of blighted areas and to plan and contract with private, corporate or governmental redevelopers for their redevelopment; providing for the organization of such authorities; defining and providing for the exercise of their powers and duties, including the acquisition of property by purchase, gift or eminent domain; the leasing and selling of property, including borrowing money, issuing bonds and other obligations, and giving security therefor; restricting the interest of members and employes of authorities; providing for notice and hearing; supplying certain mandatory provisions to be inserted in contracts with redevelopers; prescribing the remedies of obligees of redevelopment authorities; conferring certain duties upon local planning commissions, the governing bodies of cities and counties, and on certain State officers, boards and departments," authorizing the private sale of term bonds by the Authority, authorizing the increase of rates of interest for a limited time and authorizing the sale of bonds by public or private sale.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The act of May 24, 1945 (P.L.991), known as the "Urban Redevelopment Law," is amended by adding a new section to read:

Section 13.1. Term Bonds.—Whenever the board of any Authority shall authorize the issuance of bonds under the provisions of this act, the board shall also concurrently provide for the authorization of term bonds in the denomination of one hundred dollars (\$100) payable in not more than twenty-five years from the date of issue and the principal amount of said term bonds shall be equal to a reasonable amount of the principal amount of the bonds with which the said term bonds are being concurrently authorized. The amount and term of the issue of the term bonds shall be fixed by the board in the exercise of its discretion. Said term bonds shall bear interest at a rate to be fixed by said board not exceeding the legal rate. The term bonds authorized under the Authority of this 'section shall be subject to except as provided in this 'section all the terms and conditions of the bonds authorized concurrently therewith.

Section 2. Section 14 of the act, amended May 31, 1955 (P.L.107), is amended to read:

Section 14. Form and Sale of Bonds.—The bonds of an Authority shall be authorized by its resolution; shall be issued in one or more series; and

¹"subsection" in original.

²"subsection" in original.

shall bear such date, mature, at such time, and bear interest at such rate, not exceeding six per centum (6%) per annum, *except that for a period ending on October 10, 1970 the rate or rates of interest may exceed six per centum (6%) per annum but shall not exceed seven per centum (7%) per annum as shall be determined by the Authority as necessary to issue and sell such bonds*, payable semi-annually, be in such denominations, be in such form, either coupon or registered, be executed in such manner, be payable in such medium of payment, at such place, and be subject to such terms of redemption and carry such registration privileges as may be provided in such resolution, or in any trust, indenture or mortgage properly made in pursuance thereof.

The bonds of an Authority may be sold *at public or private sale* at not less than par and accrued interest. In case any of the officers of an Authority whose signatures appear on any bonds or coupons shall cease to be officers before the delivery of such bonds their signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery.

The Authority shall have the power out of any funds available therefor to purchase any bonds issued by it at a price not more than the par value thereof plus accrued interest. All bonds so purchased shall be cancelled. This paragraph shall not apply to the redemption of bonds.

Any bond reciting in substance that it has been issued by an Authority to accomplish the public purposes of this act shall be conclusively deemed in any suit, action or proceeding involving the validity or enforceability of such bond or security therefor to have been issued for such purpose.

The interest on bonds issued with an interest rate exceeding six per centum (6%) per annum shall be paid during the term for which the bonds were issued and shall not be limited to the specified period during which the rates in excess of six per centum (6%) per annum could be determined.

Section 3. This act shall take effect immediately.

APPROVED—The 17th day of July, A. D. 1970.

RAYMOND P. SHAFER

The foregoing is a true and correct copy of Act of the General Assembly No. 173.



Secretary of the Commonwealth.