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HOUSE BILL NO. 557

Offered January 11, 2012

Prefiled January 10, 2012

A BILL to amend and reenact § 36-55.30 of the Code of Virginia, relating to the Virginia Housing Development Authority; authority.

Patron—Marshall, D.W.

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:**1. That § 36-55.30 of the Code of Virginia is amended and reenacted as follows:**

§ 36-55.30. Powers of HDA generally.

The HDA is hereby granted, has and may exercise all powers necessary or appropriate to carry out and effectuate its corporate purposes, including, without limitation, the following:

1. Sue and be sued in its own name;
2. Have an official seal and to alter the same at pleasure;
3. Have perpetual succession;
4. Maintain an office at such place or places within the Commonwealth as it may designate;
5. Adopt and from time to time amend and repeal bylaws, not inconsistent with this chapter, to carry into effect the powers and purposes of HDA and the conduct of its business;
6. Make and execute contracts and all other instruments and agreements necessary or convenient for the exercise of its powers and functions;
7. Acquire real or personal property, or any interest therein, by purchase, exchange, gift, assignment, transfer, foreclosure, lease or otherwise, including rights or easements; to hold, manage, operate, or improve real or personal property; to sell, assign, lease, encumber, mortgage or otherwise dispose of any real or personal property, or any interest therein, or deed of trust or mortgage lien interest owned by it or under its control, custody or in its possession and release or relinquish any right, title, claim, lien, interest, easement or demand however acquired, including any equity or right of redemption in property foreclosed by it and to do any of the foregoing by public or private sale, with or without public bidding, notwithstanding the provisions of any other law;
8. To lease or rent any dwellings, houses, accommodations, lands, buildings, structures or facilities to effectuate the purposes of this chapter;
9. To enter into agreements or other transactions with the federal government, the Commonwealth of Virginia or any governmental agency thereof or any municipality in furtherance of the purposes of this chapter, including but not limited to the development, maintenance, operation and financing of any housing development or residential housing, or land improvement; to enter into agreements with the federal government or other parties for the provision by the HDA, or any entity or fund owned or sponsored by or related to the HDA, of services and assistance in the restructuring or modification of debt or subsidy, or in the improvement of the financial or physical condition, of any housing development or residential housing, including without limitation any housing development or residential housing owned, financed or assisted by the federal government or financed by a mortgage loan insured by the federal government, which agreements may provide for the indemnification by the HDA of the federal government or other parties against liabilities and costs in connection with the provision of such services and assistance if such indemnification is determined by the executive director to be in furtherance of the public purposes of this chapter, provided that (i) such indemnification shall be payable solely from the funds of the HDA, excluding any funds appropriated by the Commonwealth which shall be held by the HDA in a separate fund while such indemnification is in effect, (ii) such indemnification shall not constitute a debt or obligation of the Commonwealth and the Commonwealth shall not be liable therefor, and (iii) any such agreement limits the HDA's total liability for the indemnification thereunder to a stated dollar amount and notifies the federal government or other parties that the full faith and credit of the Commonwealth are not pledged or committed to payment of the HDA's obligation to indemnify the federal government or other parties under such agreement; to operate and administer loan programs of the federal government, the Commonwealth of Virginia, or any governmental agency thereof or any municipality involving land development, the planning, development, construction or rehabilitation of housing developments and residential housing, the acquisition, preservation, improvement or financing of existing residential housing or other forms of housing assistance for persons and families of low and moderate income, however funded; and to operate and administer any program of housing assistance for persons and families of low and moderate income, however funded;

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59 10. To receive and accept aid, grants, contributions and cooperation of any kind from any source for
60 the purposes of this chapter subject to such conditions, acceptable to HDA, upon which such aid, grants,
61 contributions and cooperation may be made, including, but not limited to, rent supplement payments
62 made on behalf of eligible persons or families or for the payment in whole or in part of the interest
63 expense for a housing development or for any other purpose consistent with this chapter;

64 11. To provide, contract or arrange for consolidated processing of any aspect of a housing
65 development in order to avoid duplication thereof by either undertaking the processing in whole or in
66 part for any department, agency, or instrumentality of the United States or of the Commonwealth, or, in
67 the alternative, to delegate the processing in whole or in part to any such department, agency or
68 instrumentality;

69 12. To provide advice and technical information, including technical assistance at the state and local
70 levels in the use of both public and private resources to increase low-income housing resources for the
71 disabled;

72 13. To employ architects, engineers, attorneys, accountants, housing, construction and financial
73 experts and such other advisors, consultants and agents as may be necessary in its judgment and to fix
74 their compensation;

75 14. To procure insurance against any loss in connection with its property and other assets, including
76 mortgages and mortgage loans, in such amounts and from such insurers as it deems desirable;

77 15. To insure mortgage payments of any mortgage loan made for the purpose of constructing,
78 rehabilitating, purchasing, leasing, or refinancing housing developments for persons and families of low
79 and moderate income upon such terms and conditions as HDA may prescribe and to create insurance
80 funds and form corporations for the purpose of providing mortgage guaranty insurance on mortgage
81 loans made or financed by HDA pursuant to this chapter;

82 16. To invest its funds as provided in this chapter or permitted by applicable law;

83 17. To borrow money and issue bonds and notes or other evidences of indebtedness thereof as
84 hereinafter provided;

85 18. Subject to the requirements of any agreements with bondholders or noteholders, to consent to any
86 modification with respect to rate of interest, time and payment of any installment of principal or interest,
87 security or any other term of any contract, mortgage, mortgage loan, mortgage loan commitment,
88 contract or agreement of any kind to which HDA is a party;

89 19. Subject to the requirements of any agreements with bondholders or noteholders, to enter into
90 contracts with any mortgagor containing provisions enabling such mortgagor to reduce the rental or
91 carrying charges to persons unable to pay the regular schedule of charges where, by reason of other
92 income or payment from any department, agency or instrumentality of the United States or the
93 Commonwealth, such reductions can be made without jeopardizing the economic stability of housing
94 being financed;

95 20. To procure or agree to the procurement of insurance or guarantees from the federal government
96 of the payment of any bonds or notes or any other evidences of indebtedness thereof issued by HDA or
97 an authority, including the power to pay premiums on any such insurance;

98 21. To make and enter into all contracts and agreements with mortgage lenders for the servicing and
99 processing of mortgage loans pursuant to this chapter;

100 22. To establish, and revise from time to time and charge and collect fees and charges in connection
101 with any agreements made by HDA under this chapter;

102 23. To do any act necessary or convenient to the exercise of the powers herein granted or reasonably
103 implied;

104 24. To invest in, purchase or make commitments to purchase securities or other obligations secured
105 by or payable from mortgage loans on, or issued for the purpose of financing or otherwise assisting land
106 development or residential housing for persons or families of low or moderate income;

107 25. To acquire, develop and own multifamily residential housing as hereinafter provided;

108 26. To enter into agreements with owners of housing developments eligible for federal low-income
109 housing credits as hereinafter provided in this chapter;

110 27. To exercise any of the powers granted by this chapter for the purpose of financing an
111 economically mixed project and, if such project is within a revitalization area designated in or pursuant
112 to § 36-55.30:2, any nonhousing buildings that are incidental to such project or are determined by such
113 governing body to be necessary or appropriate for the revitalization of such area or for the industrial,
114 commercial, or other economic development of such area; provided that a capital reserve fund shall not
115 be created for any such financing pursuant to § 36-55.41; ~~and~~

116 28. To make and enter into contracts and agreements to act as the loan servicer for a housing lender
117 on properties located in or outside of the Commonwealth to persons and families of any income; *and*

118 29. *To indemnify other parties against liabilities, obligations, losses, payments, damages, expenses,*
119 *and costs as may be necessary or appropriate to the exercise of any power herein granted or*
120 *reasonably implied, provided that (i) such indemnification shall be payable solely from the funds of the*

121 *HDA and (ii) such indemnification shall not constitute a debt or obligation of the Commonwealth, and*
122 *the Commonwealth shall not be liable therefor.*

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