

§ 160A-889. Special user project financing agreement.

(a) Every special user project financing agreement shall contain provisions ensuring all of the following:

- (1) That the amounts payable under the financing agreement are sufficient to pay, when due, the principal of, redemption premium, if any, and interest on debt held to pay the costs of the special user project.
- (2) That the operator pays all costs incurred by the Authority in connection with the financing and administration of the special user project, including insurance costs, the cost of administering the financing agreement and the security document, and the fees and expenses of the fiscal agent or trustee, paying agents, attorneys, consultants, and others.
- (3) That the operator pays all of the costs and expenses of operation, maintenance, and upkeep of the special user project.

(b) The financing agreement, if in the nature of a lease agreement, shall either provide that the obligor shall have an option to purchase, or require that the obligor purchase, the special user project upon the expiration or termination of the financing agreement subject to the condition that payment in full of the debt principal shall have been made.

(c) The financing agreement may provide the Authority with rights and remedies in the event of a default by the obligor, including, without limitation, any one or more of the following:

- (1) Acceleration of all amounts payable under the financing agreement.
- (2) Reentry and repossession of the special user project.
- (3) Termination of the financing agreement.
- (4) Leasing or sale of foreclosure of the special user project to others.
- (5) Taking whatever actions at law or in equity may appear necessary or desirable to collect the amounts payable under, and to enforce covenants made in, the financing agreement.

(d) The Authority's interest in a special user project under a financing agreement may be that of owner, lessor, lessee, conditional or installment vendor, mortgagor, mortgagee, secured party, or otherwise, but the Authority need not have any ownership or possessory interest in the special user project.

(e) The Authority may assign all or any of its rights and remedies under the financing agreement to debt holders under a security document.

(f) The financing agreement may contain additional provisions as in the determination of the Board of Trustees are necessary or convenient to effectuate the purposes of this Article. (2024-45, s. 19.4(a).)