WEST VIRGINIA CODE: §8-38-16

§8-38-16. Bonds issued to finance economic opportunity development district projects.

(a) General. -- The municipality that established the economic opportunity development district may issue bonds or notes for the purpose of financing development expenditures, as described in section five of this article, with respect to one or more projects within the economic opportunity development district.

(b) Limited obligations. -- All bonds and notes issued by a municipality under the authority of this article are limited obligations of the municipality.

(c) Term of obligations. -- No municipality may issue notes, bonds or other instruments for funding district projects or improvements that exceed a repayment schedule of thirty years.

(d) Debt service. -- The principal and interest on the bonds is payable out of the funds on deposit in the subaccount established for the economic opportunity development district pursuant to section eight of this article, including, without limitation, any funds derived from the special district excise tax imposed by section twelve of this article or other revenues derived from the economic opportunity development district to the extent pledged for the purpose by the municipality in the ordinance authorizing the bonds.

(e) Surplus funds. -- To the extent that the average daily amount on deposit in the subaccount established for a district pursuant to section eight of this article exceeds, for more than six consecutive calendar months, the sum of: (1) $100,000; plus (2) the amount required to be kept on deposit pursuant to the documents authorizing, securing or otherwise relating to the bonds or notes issued under this section, then the excess shall be used by the district either to redeem the bonds or notes previously issued or remitted to the General Fund of this state.

(f) Debt not general obligation of municipality. -- Neither the notes or bonds and any interest coupons issued under the authority of this article shall ever constitute an indebtedness of the municipality issuing the notes or bonds within the meaning of any Constitutional provision or statutory limitation and do not constitute or give rise to a pecuniary liability of the municipality issuing the notes or bonds.

(g) Debt not a charge general credit or taxing powers of municipality. -- Neither the bonds or notes, nor interest thereon, is a charge against the general credit or taxing powers of the municipality and that fact shall be plainly stated on the face of each bond or note.

(h) Issuance of bonds or notes. --

(1) Bonds or notes allowed under this section may be executed, issued and delivered at any

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time and, from time to time, may be in a form and denomination, may be of a tenor, must be negotiable but may be registered as to the principal thereof or as to the principal and interest thereof, may be payable in any amounts and at any time or times, may be payable at any place or places, may bear interest at any rate or rates payable at any place or places and evidenced in any manner and may contain any provisions therein not inconsistent herewith, all as provided in the ordinance of the municipality whereunder the bonds or notes are authorized to be issued.

(2) The bonds may be sold by the municipality at public or private sale at, above or below par as the municipality authorizes.

(3) Bonds and notes issued pursuant to this article shall be signed by the authorized representative of the municipality and attested by the municipal clerk or recorder and be under the seal of the municipality.

(4) Any coupons attached to the bonds shall bear the facsimile signature of the authorized representative of the municipality. If any of the officials whose signatures appear on the bonds, notes or coupons cease to be officers before the delivery of the bonds or notes, their signatures are valid and sufficient for all purposes to the same extent as if they had remained in office until the delivery.

(i) Additional bonds or notes. -– If the proceeds of the bonds or notes, by error of calculation or otherwise, are less than the cost of the economic opportunity development district project, or if additional real or personal property is to be added to the district project or if it is determined that financing is needed for additional development expenditures, additional bonds or notes may, in like manner, be issued to provide the amount of the deficiency or to defray the cost of acquiring or financing any additional real or personal property or development expenditures and, unless otherwise provided in the trust agreement, mortgage or deed of trust, are considered to be of the same issue and are entitled to payment from the same fund, without preference or priority, and are of equal priority as to any security.

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