

No. 828, A.]

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**CHAPTER 682**

AN ACT to create 66.40 (25) and 66.43 (17) of the statutes, relating to liquidation and disposal of public housing projects.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 66.40 (25) of the statutes is created to read:

66.40 (25) LIQUIDATION AND DISPOSAL OF HOUSING PROJECTS. (a) In any city or village the city council or village board by resolution or ordinance, or the electors by referendum under s. 10.43, may provide that the authority shall liquidate and dispose of a particular project or projects held and operated under ss. 66.40 to 66.404 or 66.43.

(b) Whenever liquidation and disposal of a project is provided for under par. (a) the housing authority or other designated agency shall sell such project to the highest bidder after public advertisement, or transfer it to any state public body authorized by law to acquire such project. No such project shall be sold for less than its fair market value as determined by a board of 3 licensed appraisers appointed by the city council or village board.

(c) The arrangements for the liquidation and disposal of a project shall provide for the payment and retirement of all outstanding obligations in connection with the project, together with interest thereon and any premiums prescribed for the redemption of any bonds, notes or other obligations before maturity.

(d) Any proceeds remaining after payment of such obligations under par. (c) shall be distributed in accordance with the federal law applicable at the time of the liquidation and disposal of the project. If no federal law is applicable to the liquidation and disposal of the project all of such remaining proceeds shall be paid to the city or village.

(e) If the highest bid received is insufficient for the payment of all obligations set forth in par. (c) the project shall not be sold unless the city or village provides sufficient additional funds to discharge such obligations.

(f) In order to carry out this subsection an authority or other designated agency shall exercise any option available to it for the payment and redemption of outstanding obligations set forth in par. (c) before maturity, if the city or village provides funds for such payment and redemption.

(g) No actions taken under this subsection shall affect or diminish the rights of any bondholders or other obligees of the authority.

SECTION 2. 66.43 (17) of the statutes is created to read:

66.43 (17) LIQUIDATION AND DISPOSAL. Projects held under this section may be liquidated and disposed of under s. 66.40 (25).

Approved November 26, 1955.