

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2015

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HOUSE BILL 407

Committee Substitute Favorable 4/15/15

PROPOSED SENATE COMMITTEE SUBSTITUTE H407-PCS30526-RNxr-54

Short Title: Housing Authority Transfers.

(Public)

Sponsors:

Referred to:

April 1, 2015

A BILL TO BE ENTITLED

AN ACT TO ALLOW MUNICIPALITIES TO TRANSFER THE POWERS, DUTIES, AND RESPONSIBILITIES OF A PUBLIC HOUSING AUTHORITY TO A REGIONAL COUNCIL OF GOVERNMENT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 157-4.1 reads as rewritten:

"§ 157-4.1. **Alternative organization.**

(a) In lieu of creating a housing authority as authorized herein, the council of any city may, if it deems wise, either designate a redevelopment commission created under the provisions of Chapter ~~160-160A~~ of the General Statutes to exercise the powers, duties, and responsibilities of a housing authority as prescribed herein, or may itself exercise such powers, duties, and responsibilities. Any such designation shall be by passage of a resolution adopted in accordance with the procedure and pursuant to the finding specified in the first and second paragraphs of G.S. 157-4. In the event the council of any city designates itself to exercise the powers, duties, and responsibilities of a housing authority, then where any act, proceeding, or approval is required to be done, recommended, or approved both by a housing authority and by the council of the city, then the performance, recommendation, or approval thereof once by the council of the city shall be sufficient to make such performance, recommendation, or approval valid and legal. In the event the council of the city designates itself to exercise the powers, duties, and responsibilities of a housing authority, it may assign the administration of the housing programs, projects, and policies to any existing or new department of the city.

(b) The council of any city which has prior to July 1, 1969, created, or which may hereafter create, a housing authority may, in its discretion, by resolution abolish such housing authority, such abolition to be effective on a day set in such resolution ~~not less than 90 days after its adoption.~~ that will allow sufficient time to wind down the operations of the housing authority. Upon the adoption of such a resolution, the housing authority of the city is hereby authorized and directed to take such actions and to execute such documents as will carry into effect the provisions and the intent of the resolution, and as will effectively transfer its authority, responsibilities, obligations, personnel, and property, both real and personal, to the city. Any city which abolishes a housing authority pursuant to this subsection may, at any time subsequent to such abolition or concurrently therewith, exercise the authority granted by subsection (a) of this section.

On the day set in the resolution of the ~~council~~council, all of the following apply:

- (1) The housing authority shall cease to exist as a body politic and corporate and as a public ~~body~~body.



- 1 (2) All property, real and personal and mixed, belonging to the housing authority
2 shall vest in, belong to, and be the property of the ~~city;~~city.
- 3 (3) All judgments, liens, rights of liens, and causes of action of any nature in favor
4 of the housing authority shall remain, vest in, and inure to the benefit of the
5 ~~city;~~city.
- 6 (4) All rentals, taxes, assessments, and any other funds, charges or fees, owing to
7 the housing authority shall be owed to and collected by the ~~city;~~city.
- 8 (5) Any actions, suits, and proceedings, pending against, or having been instituted
9 by the housing authority shall not be abated by such abolition, but all such
10 actions, suits, and proceedings shall be continued and completed in the same
11 manner as if abolition had not occurred, and the city shall be a party to all such
12 actions, suits, and proceedings in the place and stead if the housing authority
13 and shall pay or cause to be paid any judgments rendered against the housing
14 authority in any such actions, suits, or proceedings, and no new process need be
15 served in any such action, suit, or ~~proceeding;~~proceeding.
- 16 (6) All obligations of the housing authority, including outstanding indebtedness,
17 shall be assumed by the city, and all such obligations and outstanding
18 indebtedness shall be constituted obligations and indebtedness of the ~~city;~~city.
- 19 (7) All ordinances, rules, regulations and policies of the housing authority shall
20 continue in full force and effect until repealed or amended by the council of the
21 city.

22 (c) Where the governing body of any municipality has in its discretion, by resolution
23 abolished a housing authority, pursuant to subsection (b) ~~above, of this section,~~ the governing body
24 of such municipality may, at any time subsequent to the passage of a resolution abolishing a
25 housing authority, or concurrently therewith, by the passage of a resolution adopted in accordance
26 with the procedures and pursuant to the finding specified in G.S. 157-4.1, designate an existing
27 redevelopment commission created pursuant to ~~Article 37 of Chapter 160~~Article 22 of Chapter
28 160A of the General Statutes, or a regional council of government created pursuant to Part 2 of
29 Article 20 of Chapter 160A of the General Statutes, to exercise the powers, duties, and
30 responsibilities of a housing authority. Where the governing body of any municipality designates,
31 pursuant to this subsection, an existing redevelopment ~~commission created pursuant to Article 37~~
32 ~~of Chapter 160 of the General Statutes~~or a regional council of government to exercise the powers,
33 duties, and responsibilities of a housing authority, on the day set in the resolution of the governing
34 body passed pursuant to subsection (b) of this section, or pursuant to subsection (c) of this
35 ~~section;~~section, all of the following apply:

- 36 (1) The housing authority shall cease to exist as a body politic and corporate and as
37 a public ~~body;~~body.
- 38 (2) All property, real and personal and mixed, belonging to the housing authority or
39 to the municipality as hereinabove provided in subsections (a) or (b), shall vest
40 in, belong to, and be the property of the existing redevelopment commission ~~of~~
41 ~~the municipality;~~or regional council of government.
- 42 (3) All judgments, liens, rights of liens, and causes of action of any nature in favor
43 of the housing authority or in favor of the municipality as hereinabove provided
44 in subsections (a) or (b), shall remain, vest in, and inure to the benefit of the
45 existing redevelopment commission ~~of the municipality;~~or regional council of
46 government.
- 47 (4) All rentals, taxes, assessments, and any other funds, charges, or fees owing to
48 the housing authority or owing to the municipality as hereinabove provided in
49 subsections (a) or (b), shall be owed to and collected by the existing
50 redevelopment commission ~~of the municipality;~~or regional council of
51 government.

- 1 (5) Any actions, suits, and proceedings pending against or having been instituted
 2 by the housing authority or the municipality, or to which the municipality has
 3 become a party as hereinabove provided in subsections (a) or (b), shall not be
 4 abated by such abolition but all such actions, suits, and proceedings shall be
 5 continued and completed in the same manner as if abolition had not occurred,
 6 and the existing redevelopment commission ~~of the municipality~~ or regional
 7 council of government shall be a party to all such actions, suits, and
 8 proceedings in the place and stead of the housing authority or the municipality,
 9 and shall pay or cause to be paid any judgments rendered in such actions, suits,
 10 or proceedings, and no new processes need be served in such action, suit, or
 11 ~~proceeding;~~ proceeding.
- 12 (6) All obligations of the housing authority or the municipality as hereinabove
 13 provided in subsections (a) or (b), including outstanding indebtedness, shall be
 14 assumed by the existing redevelopment commission ~~of the municipality;~~ or
 15 regional council of government; and all such obligations and outstanding
 16 indebtedness shall be constituted obligations and indebtedness of the existing
 17 redevelopment commission ~~of the municipality;~~ or regional council of
 18 government.
- 19 (7) All ~~ordinances,~~ rules, regulations, and policies of the housing authority ~~or the~~
 20 ~~municipality~~ as hereinabove provided in subsections (a) or (b), shall continue in
 21 full force and effect until repealed and amended by the existing redevelopment
 22 commission ~~of the municipality;~~ or regional council of government.
- 23 (8) Notwithstanding G.S. 157-5 and G.S. 157-8, the term of office for all
 24 commissioners shall expire.

25 (d) A redevelopment commission or regional council of government designated by the
 26 governing body of any municipality to exercise the powers, ~~duties~~ ~~duties~~, and responsibilities of a
 27 housing authority shall, when exercising the same, do so in accordance with Chapter 157 of the
 28 General Statutes. ~~Otherwise~~ ~~Otherwise~~, the redevelopment commission shall continue to exercise
 29 ~~the its~~ powers, ~~duties~~ ~~duties~~, and responsibilities ~~of a redevelopment commission~~ in accordance
 30 with ~~Article 37 of Chapter 160~~ Article 22 of Chapter 160A of the General Statutes. ~~Statutes, and the~~
 31 regional council of governments shall continue to exercise its powers, duties, and responsibilities
 32 in accordance with Part 2 of Article 20 of Chapter 160A of the General Statutes.

33 (e) Upon passage of a resolution pursuant to subsection (b) or (c) of this section, the city
 34 council may appoint an interim executive director who will work with the housing authority to
 35 facilitate any transfer to the city, redevelopment commission, or regional council of government,
 36 and who will serve in that capacity until the transfer is complete. The interim executive director
 37 shall have all the powers and duties granted to an executive director pursuant to G.S. 157-5(e)
 38 along with the rules, regulations, and policies of the housing authority."

39 **SECTION 2.** G.S. 157-4.2 reads as rewritten:

40 "**§ 157-4.2. Authority budgeting and accounting systems as a part of city or county**
 41 **budgeting and accounting systems.**

42 The council of a city or the board of commissioners of a county may by resolution provide that
 43 the budgeting and accounting systems of the city's or county's housing authority (or, if the city's
 44 redevelopment commission or a regional council of government is exercising the powers, duties,
 45 and responsibilities of a housing authority, the budgeting and accounting systems of the
 46 redevelopment commission or regional council of government) shall be an integral part of the
 47 budgeting and accounting systems of the city or county. If such a resolution is adopted:

- 48 (1) For purposes of the Local Government Budget and Fiscal Control Act, the
 49 ~~authority (or commission)~~ authority, redevelopment commission, or regional
 50 council of government, shall not be considered a "public authority," as that
 51 phrase is defined in G.S. 159-7(b), but rather shall be considered a department

1 or agency of the city or county. The operations of the ~~authority (or commission)~~
 2 authority, redevelopment commission, or regional council of government shall
 3 be budgeted and accounted for as if the operations were those of a public
 4 enterprise of the city or county.

5 (2) The budget of the ~~authority (or commission)~~authority, redevelopment
 6 commission, or regional council of government shall be prepared and submitted
 7 in the same manner and according to the same procedures as are the budgets of
 8 other departments and agencies of the city or county; and the budget ordinance
 9 of the city or county shall provide for the operations of the ~~authority (or~~
 10 ~~commission)~~authority, redevelopment commission, or regional council of
 11 government.

12 (3) The budget officer and finance officer of the city or county shall administer and
 13 control that portion of the city or county budget ordinance relating to the
 14 operations of the ~~authority (or commission)~~authority, redevelopment
 15 commission, or regional council of government."

16 **SECTION 3.** G.S. 160A-475 reads as rewritten:

17 **"§ 160A-475. Specific powers of council.**

18 The charter may confer on the regional council any of the following powers:

19 ...
 20 (7a) For the purpose of meeting the regional council's office space and program
 21 needs, to acquire real property by purchase, gift, or otherwise, and to improve
 22 that property. The regional council may pledge real property as security for
 23 indebtedness used to finance acquisition of that property or for improvements to
 24 that real property, subject to approval by the Local Government Commission as
 25 required under G.S. 159-153. A regional council may not exercise the power of
 26 eminent domain.

27 (7b) To carry out the powers, duties, and responsibilities granted pursuant to Chapter
 28 157 of the General Statutes except the power of eminent domain.

29 (8) Any other powers that are exercised or capable of exercise by its member
 30 governments and desirable for dealing with problems of mutual concern to the
 31 extent such powers are specifically delegated to it from time to time by
 32 resolution of the governing board of each of its member governments which are
 33 affected thereby, provided, that no regional council of governments shall have
 34 the authority to construct or purchase buildings, or acquire title to real property,
 35 except for the purposes permitted under subdivision (7a) of this section or in
 36 order to exercise the authority granted by Chapter 260 of the Session Laws of
 37 ~~1979-1979~~, or the powers, duties, and responsibilities granted to the regional
 38 council pursuant to Chapter 157 of the General Statutes. Nothing in this
 39 subdivision permits a regional council to exercise the power of eminent
 40 domain."

41 **SECTION 4.** This act is effective when it becomes law.