



HOUSE BILL 89: Housing Authority Transfers.

2017-2018 General Assembly

Committee:		Date:	August 15, 2017
Introduced by:		Prepared by:	Brad Krehely Staff Attorney
Analysis of:	S.L. 2017-178		

OVERVIEW: *S.L. 2017-178 allows municipalities to transfer the powers, duties, and responsibilities of a public housing authority to a regional council of government. The date of the abolition of the authority is set in the city's council's resolution abolishing the authority and is a date that will allow sufficient time to wind down the operations of the housing authority. The act became effective July 25, 2017, but does not apply to cities with a population of greater than 250,000.*

CURRENT LAW:

Housing Authorities. – Chapter 157 of the General Statutes is the Housing Authority Law. It is designed to address the shortage of safe and sanitary housing in North Carolina and to encourage programs to provide such housing. The statute sets forth a procedure for creating a housing authority. However, in lieu of creating a housing authority, the council of any city may exercise the powers of a housing authority itself or may designate a redevelopment commission to do so.

A city can abolish a housing authority, but the abolition cannot be effective until as set in a resolution and not less than 90 days after the adoption of the resolution. The statutes for housing authorities have terms of office for commissioners, have conflict of interest provisions for commissioners, and allow for removal of commissioners in some circumstances. Housing authorities have a wide range of powers and duties that include operating housing projects, issuing subpoenas, exercising eminent domain, and issuing bonds, among others.

Regional Councils of Government. – Under Part 2 of Article 20 of Chapter 160A of the General Statutes, any two or more units of local government (city, county, or consolidated city-county) may create a regional council of government by adopting identical concurrent resolutions. Thereafter, any local government may join the regional council by ratifying its charter and by being admitted by a majority vote of the existing members. The charter may confer on the regional council any of the following powers:

- To receive and dispense funds from the State, the federal government, a unit of local government and private and civic agencies.
- To employ personnel.
- To contract with consultants.
- To contract with the State of North Carolina, any other state, the United States of America, or any agency thereof, for services.
- To study regional governmental problems.
- To promote action among its member governments.

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- To make recommendations for review and action to its member governments and other public agencies within the region.
- For the purpose of meeting the regional council's office space and program needs, to acquire real property by purchase, gift, or otherwise, and to improve that property. The regional council may pledge real property as security for indebtedness used to finance acquisition of that property or for improvements to that real property, subject to approval by the Local Government Commission. A regional council may not exercise the power of eminent domain.
- Any other powers that are exercised or capable of exercise by its member governments and desirable for dealing with problems of mutual concern to the extent such powers are specifically delegated to it from time to time by resolution of the governing board of each of its member governments. No regional council of government may construct or purchase buildings, or acquire title to real property, except for the purposes permitted to meet the regional council's office space and program needs or in order to exercise authority under the federal Public Works and Economic Development Act of 1965.

BILL ANALYSIS: S.L. 2017-178 allows municipalities to transfer the powers, duties, and responsibilities of a public housing authority to a regional council of government.

- **Date of Abolition of the Housing Authority-**Under current law, a city council which has created a housing authority may abolish the housing authority by passing a resolution. The date of the abolition is set in the resolution, but cannot be less than 90 days after the adoption of the resolution. S.L. 2017-178 removes the 90-day minimum mandate and replaces it with language permitting abolition on a date that will allow sufficient time to wind down the operations of the housing authority.
- **Transfer of Duties of a Housing Authority to a Regional Council of Government-** Under current law, when a municipality has abolished a housing authority, the municipality may designate an existing redevelopment commission to exercise the powers, duties, responsibilities of a housing authority. S.L. 2017-178 allows the municipality to transfer the powers and duties of a housing authority to a regional council of government.
- **Expiration of Terms of Office-** The act clarifies that the terms of office for commissioners of a housing authority expire on the date set in the resolution which abolished the housing authority.
- **Appointment of Interim Executive Director-** The act provides that upon the abolition of the housing authority, the city council may appoint an interim executive director to facilitate the transfer of the housing authority.
- **Amend Powers and Duties of a Regional Council of Government-** The act amends the powers and duties of a regional council of government to allow a regional council of government to exercise the powers of a housing authority, but not the power of eminent domain.

The act makes other conforming changes and does not apply to cities with a population of greater than 250,000.

EFFECTIVE DATE: The act became effective July 25, 2017.

Staff Attorneys, Trina Griffin and Bill Patterson, contributed to this summary.