

# BOARD COMMISSIONER TRAINING

## North Carolina/South Carolina

### Public Housing Laws




**2021**

Developed in 2021 using HUD's Lead the Way training, adapted by Econometrica, as well as other sources.

**ECONOMETRICA, INC.**

# Today's Agenda and Learning Objective

- 
- North Carolina Public Housing Laws
  - South Carolina Public Housing Laws
  - Both North Carolina and South Carolina Public Housing Laws

After completing this module, you should be able to:

- Describe the parts of the NC and SC Public Housing Laws that dictate public housing authority (PHA) operations.

# North Carolina/South Carolina Public Housing Laws

- North Carolina Housing Authorities Law:  
Chapter 157 Article 1 (§157-1).
  - Part of the NC General Statutes.
- South Carolina Housing Authorities Law:  
Title 31, Chapter 3 and 11.





# North Carolina Public Housing Laws



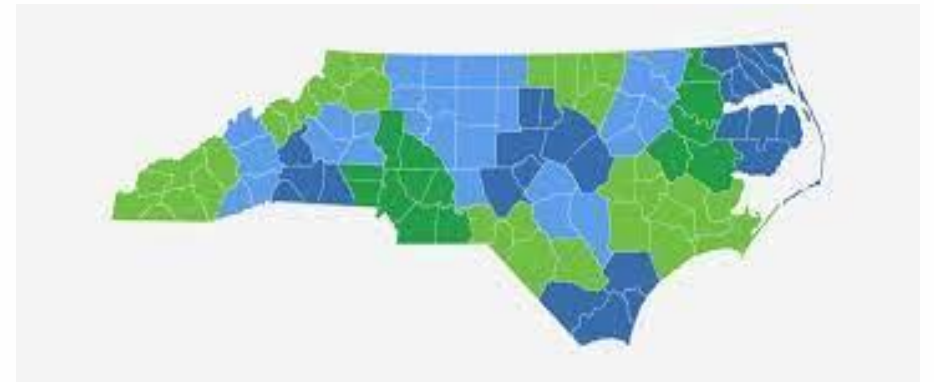
# Appointment of Commissioners

- The mayor appoints city commissioners.
- The Board of County Commissioners (BCC) appoint county and regional authority commissioners.
- Approximately 5–11 commissioners.
- A majority constitutes a quorum.
- Commissioners are appointed to 5-year tenures.
- Federal law dictates that at least one commissioner must be a recipient of PHA housing assistance; the state therefore requires this as well.
  - Residents may not make up more than one third of the board.
  - Appointed by the mayor or BCC unless the PHA bylaws state otherwise.
  - May not vote on issues affecting personal tenancy or their own conduct.



# Regional Authorities

- Whether city, county, or regional, PHA commissioners have the same appointments, authorities, and requirements.
- Regional Authorities can be created for contiguous counties with combined populations of greater than 60,000.
  - The BCC for each county appoints one commissioner to the regional authority.
  - If there is an even number of commissioners or participating counties, the state's governor shall appoint an extra commissioner.
- Any two or more authorities may cooperate by issuing a resolution for a range and may appoint an executive committee from the two other Boards to act on behalf of the joint entities.

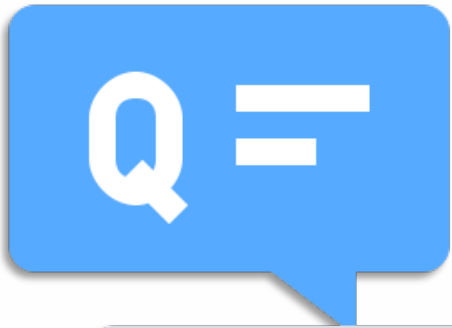


# Responsibilities Regarding Mixed-Income and Multifamily Projects

- If a PHA owns or operates a mixed-income project, the operating expenses must be met entirely through rent and rent subsidies provided to low-income tenants.
  - Any project or property that has units not designated for low- or moderate-income individuals are considered mixed-income.
- No rent subsidy can be provided to tenants who are not low-income.
- If a PHA owns, operates, or provides financial assistance to multi-family rental housing projects, at least 20 percent of the units shall be set aside for low-income individuals.



# North Carolina Laws: Question 1



**True or False?**

Three commissioners constitutes a quorum.



# Specific Responsibilities of the PHA

**Housing** for low-income persons, including the construction, reconstruction, or purchase of government or other housing, as well as the allowance to create a nonprofit. Manage local housing projects.

**Property ownership and management**, including upkeep of public areas around the housing, as well as parks, utilities, sewage, etc. Lease and rent these housing projects, including the revision of rents.

**Legal and financial responsibilities**, including borrowing money, procuring insurance, executing contracts, developing bylaws, and reporting to the board regarding the condition of properties.

# Additional Powers of Authority

- PHAs may also:
  - Make revolving mortgage loans to sponsors of residential housing and moderate- and low-income persons or families.
  - Collect and pay reasonable fees for services these loans.
- Generally, PHAs do not require the approval of the local government body to issue bonds or incur debt.
- May also submit grants/borrow from the federal government.
- PHAs are exempt from taxation to the same extent as a local unit of government.

# Miscellaneous

- The appointing entity (city or county) may by resolution provide that the PHA's budgeting and accounting systems may be a part of those of the city or county.
- File a report with the mayor or BCC at least once a year regarding activities from the preceding year and making recommendations regarding any legislative actions necessary.

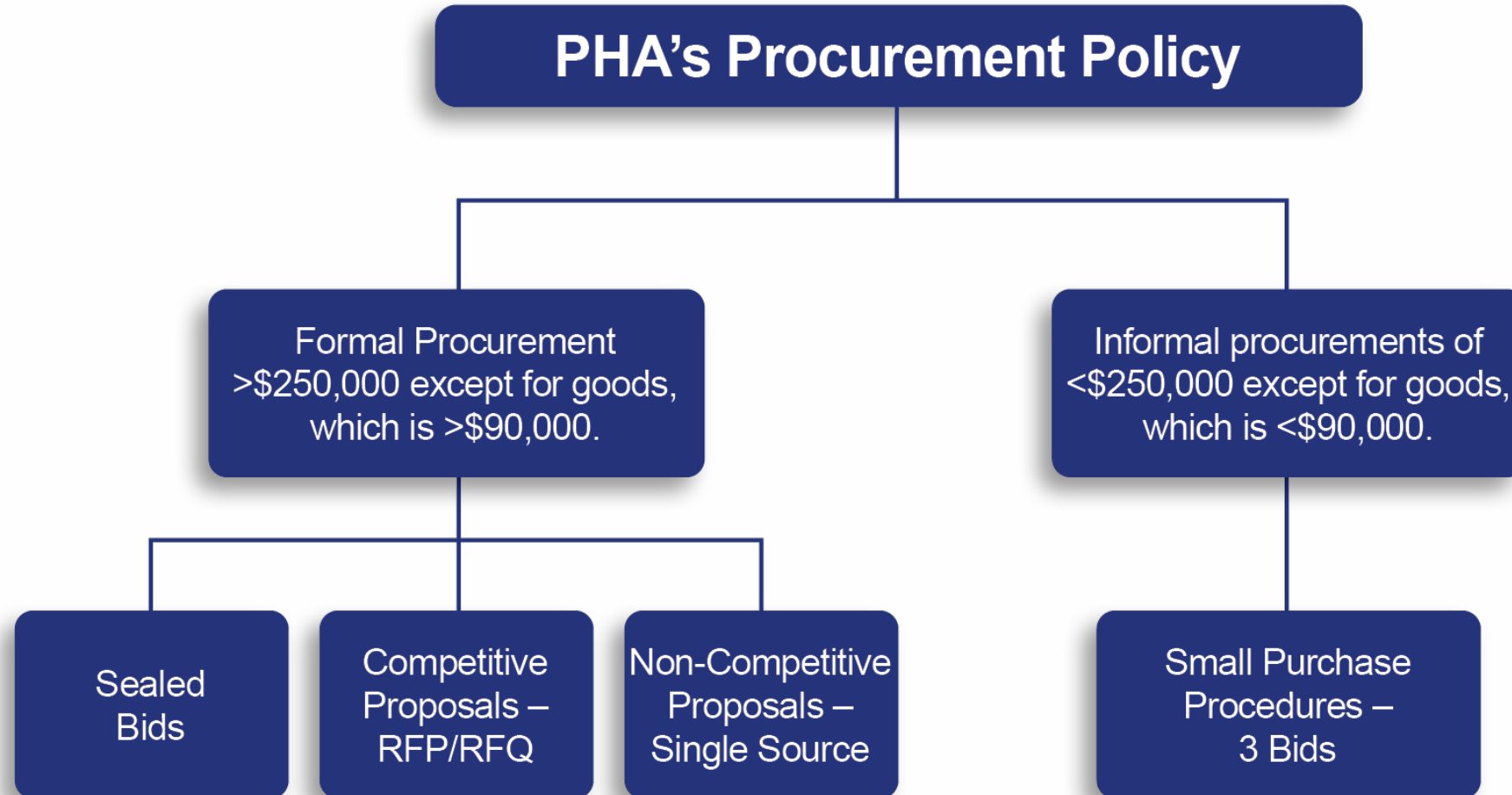
## North Carolina Laws: Question 2



### True or False?

If a PHA owns or operates a mixed-income project, all the tenants are eligible for a rent subsidy.

# North Carolina Procurement





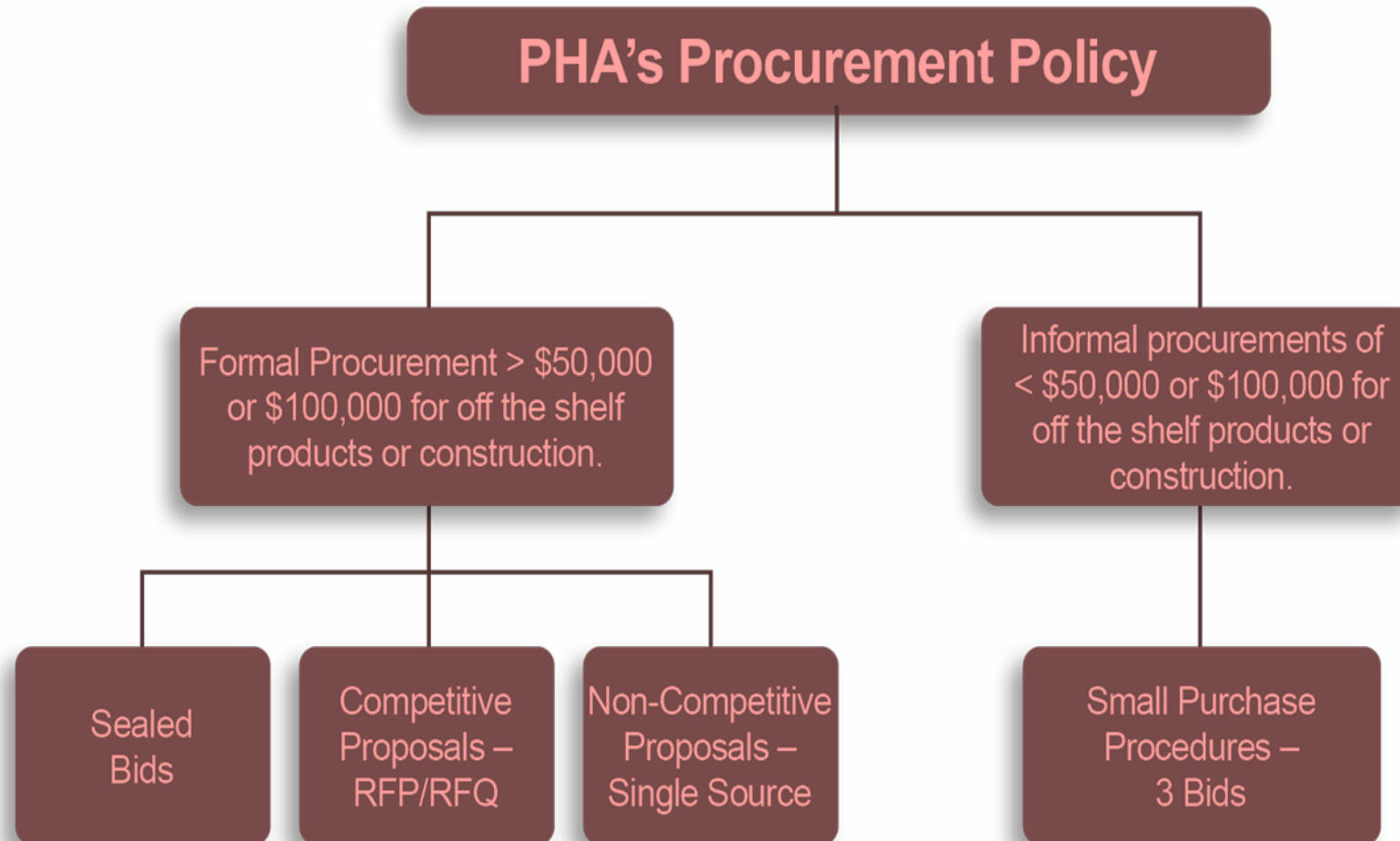
# South Carolina Public Housing Laws



# Powers of Authority

- Similar to NC powers of authority.
- May also acquire property by fee or eminent domain.
- Dispose of surplus real property (other than those under the U.S. Department of Transportation Declaration of Trust).
- Exempt from taxes but may agree to make payments in lieu of taxes.
- Keep books and records as prescribed by the mayor and remain open to inspection, including project-based budgets.
- Submit a report to the mayor annually on or before January 31, particularly detailing its financial condition and activities from the previous calendar year.

# South Carolina Procurement







# Both NC/SC Public Housing Laws



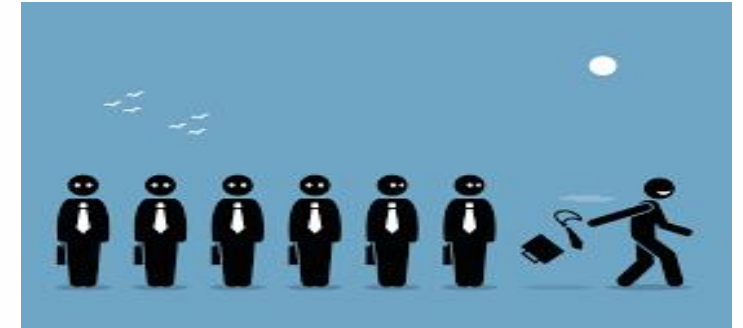
# Roles and Responsibilities and Conflict of Interest

- Commissioners have the same roles and responsibilities that they do under federal laws and regulations.
- Under SC statute, the board must adopt bylaws and elect officers.
- Conflict of interest requirements are the same as those under federal law.
  - Commissioners must not have direct or indirect interest in any project property under jurisdiction of the PHA, including current and planned.
  - Must not have any direct or indirect interest in materials or services contracts connected with any project.
- In SC, if a commissioner has any direct or indirect interest in any project property or contract, he/she must disclose this information to the PHA in writing and this disclosure must be entered into the PHA minutes.



# Removal of Commissioners

- The Council (Mayor/BCC in NC) may remove authority commissioners for inefficiency or neglect of duty or (in SC only) misconduct in office.
  - Mayor/BCC must provide a copy of the charges in NC.
  - A hearing is held within 10 days of delivery of the charges.
  - In NC, the commissioner may file a written objection to the charges.
- A record of the proceedings, charges, and findings must be filed in the same manner as appointment certificates.
- SC Statute notes that resident commissioners may only remain on the board while receiving assistance.



# NC/SC Laws: Question 1



## True or False?

If a commissioner has any direct or indirect interest in any project, property, or contract, they must disclose this information in writing.

# Commissioner Compensation

## **NC Statute Chapter 157.5 and SC Statute Section 31-3- 350**

“A commissioner shall receive no compensation for his or her services.”



# Areas of Operation

- **In NC Cities:** Boundaries of the city and within 10 miles of said city, but not part of another city unless requested to do so by the other city.
- **In NC Counties:** Boundaries of the county and/or of a regional authority, but not part of the boundaries of a city authority, unless requested to do so.
- **In SC,** PHAs may operate in the boundaries of the city/county or other contiguous territory as long as it is not in conflict with another PHA. Likewise, they may operate in any other municipality if a resolution documenting this agreement is in place.
- **In SC,** any two or more authorities may cooperate by issuing a resolution for a range of purposes and may appoint an executive committee from the two other Boards to act on behalf of the joint entities.



# Responsibilities: Question 1



## True or False?

A commissioner may not receive any compensation for his or her services.

**Thank you**  
for your commitment and service to  
your PHA and its residents!

