WEST VIRGINIA LEGISLATURE
SECOND REGULAR SESSION, 2006

ENROLLED

COMMITTEE SUBSTITUTE
FOR
House Bill No. 4008

(By Delegates Cann, Beane and Ennis)

Passed March 10, 2006

In Effect Ninety Days from Passage
AN ACT to amend and reenact § 16-15-1 and § 16-15-3a of the Code of West Virginia, 1931, as amended, and to amend said code by adding thereto a new section, designated § 16-15-3b, all relating to authorizing mergers to form regional housing authorities; providing definitions; authorizing subsequent joining of local and regional housing authorities; authorizing housing authorities to initiate merger by joint resolution; providing that contents of joint resolution include transfer of assets and liabilities, membership of authority and adoption of a plan of merger; and conferring on the regional housing authority the powers and duties of authorities it succeeds.

Be it enacted by the Legislature of West Virginia:

That § 16-15-1 and § 16-15-3a of the Code of West Virginia, 1931, as amended, be amended and reenacted, and that said code be amended by adding thereto a new section designated § 16-15-3b, all to read as follows:
ARTICLE 15. STATE HOUSING LAW.


The following terms, wherever used or referred to in this article, shall have the following respective meanings, unless in any case a different meaning clearly appears from the context:

(1) "Affiliate" means any corporation, entity, partnership, venture, syndicate or arrangement in which a housing authority participates by holding an ownership interest or participating in its governance, including both controlled and noncontrolled affiliates as herein defined.

(2) "Affordable housing" means dwelling units that may be rented or purchased, as the case may be, by persons of eligible income, as defined herein.

(3) "Annual sinking fund payment" means the amount of money specified in the resolution or resolutions authorizing term bonds as payable into a sinking fund during a particular calendar year for the retirement of term bonds at maturity after such calendar year, but shall not include any amount payable by reason only of the maturity of a bond.

(4) "Area of operation" means the geographical area within which a housing authority owns or operates housing developments or administers other housing programs including any city, county or combination thereof in which it was operating on the effective date of this article.

(5) "Arrangement" means a legal relationship with another party that may include, but not be limited to, a general or limited partnership; joint venture; syndicate or syndication; corporation; limited liability cooperative, corporation or partnership; an unincorporated association; a cooperative; a
(6) "Authority" or "housing authority" means a corporate body organized in accordance with the provisions of this article for the purposes, with the powers, and subject to the restrictions hereinafter set forth. Where the context requires or permits, this term shall be deemed to include regional housing authorities and/or controlled affiliates of a housing authority.

(7) "Bond" or "bonds" means any bonds, notes, interim certificates, debentures, or other obligations issued by an authority pursuant to this article.

(8) "City" means and includes any political subdivision of this state, whether incorporated or unincorporated, known as a city, municipality, town or village. With respect to the provisions of other sections of this article and their application to housing authorities of counties, the term "city" shall be construed as referring to a county unless a different meaning clearly appears from the context.

(9) "Clerk" means the clerk or recorder of the city or the clerk of the county, as the case may be, or the officer charged with the duties customarily imposed on the clerk or recorder.

(10) "Commissioner" means one of the members of the governing board of a housing authority appointed in accordance with the provisions of this article.

(11) "Community facilities" means lands, buildings and equipment, real and personal property suitable for recreational, or social assembly, for educational, health, or welfare purposes and other necessary activities for the use and benefit of the occupants of housing developments and the public.
(12) "Controlled affiliate" means any affiliate of a housing authority: (i) In which commissioners, officers, employees and agents of the authority constitute a majority of the governing body; or (ii) in which the authority holds a majority of the ownership interests.

(13) "Council" means the chief legislative body of the city.

(14) "County" means and includes any political subdivision of this state known as a county.

(15) "Development" or "housing development" means and includes all dwellings and associated appurtenances, including real and personal property, and all other facilities and improvements of every kind and description, which a housing authority may own or operate or in which it may hold an interest under the provisions of this article, all land upon which such dwellings, appurtenances, and facilities are situate; all work and activities undertaken by a housing authority or others relating to the creation of such property; all tangible and intangible personal property relating thereto, including all leases, licenses, agreements, and other instruments and all rights and obligations arising thereunder, establishing or confirming ownership, title, or right of use or possession in or to any such property by a housing authority, all as more particularly described and authorized in this article.

(16) "Farmers of low or moderate income" means persons or families who at the time of their admission to occupancy in a dwelling of the authority: (A) Live under unsafe and unsanitary housing conditions; (B) derive their principal income from operating or working upon a farm; and (C) had an aggregate average annual net income for the three years preceding their admission that was less than the amount determined by the authority to be necessary, within its area of operation, to enable
them, without financial assistance, to obtain decent, safe and sanitary housing.

(17) "Governing body" means, in the case of a city, the council of the city, and in the case of a county, the county commission.

(18) "Government" means the state and federal governments and any subdivisions, authority or instrumentality, corporate or otherwise, of either of them.

(19) "Guest" means any person, not a resident of the development, who is present within the development, or within a dwelling in a development, as an invitee of or otherwise with the express or implied consent of a resident of the development or dwelling.

(20) "Hold an interest" means ownership or control of, or participation in an arrangement with respect to, a development by a housing authority or any affiliate thereof.

(21) "Low-cost housing" shall include any housing accommodations which are or are to be rented at not in excess of a maximum rate per room, or maximum average rate per room, which shall be specified or provided by the housing authority of the city in which such housing accommodations are or are to be located, or the Legislature, or a duly constituted agency of the state, or of the United States of America.

(22) "Mayor" means the chief executive of the city, whether the official designation of his office be mayor, city manager or otherwise: Provided, That the term "mayor" may also be the chief elected officer of the municipality regardless of whether or not the corporate charter provides for a city manager appointed by the city council who is the chief executive officer.
(23) "Noncontrolled affiliate" means affiliate in which a housing authority participates, but does not constitute a majority of the governing body nor have a majority ownership interest.

(24) "Obligee of the authority" or "obligee" means any bondholder, trustee or trustees for any bondholders, or lessor demising to an authority property used in connection with a housing development, or any assignee or assignees of the lessor's interest or any part thereof, and the federal government when it is a party to any contract with the authority.

(25) "Person" means a family and, where the context so requires, a household.

(26) "Persons of eligible income" means individuals or families as defined by a public housing authority within the applicable local, state and federal funding guidelines.

(27) "Public agency" means and includes: (i) Any county; city; village; township; any school, drainage, tax, improvement or other district; any department, division, or political subdivision of this state or another state; any housing authority, housing finance authority, or housing trust of this state or another state; and any other agency, bureau, office, authority, or instrumentality of this state or another state; (ii) any board, agency, commission, division or other instrumentality of a city or county; and (iii) any board, commission, agency, department, or other instrumentality of the United States, or any political subdivision or governmental unit of any of them.

(28) "Regional housing authority" means a housing authority formed by two or more cities, counties or housing authorities pursuant to the authority provided in sections three-a and three-b of this article.
(29) "Resident" means a person residing in a development of a housing authority, with the consent of such authority, according to its policies, rules and procedures.

(30) "Slum clearance" means the removal of housing conditions which shall be considered by the housing authority of the city in which such conditions exist to be unsanitary or substandard or a menace to public health.

(31) "State" means the state of West Virginia and its duly constituted government.

§16-15-3a. Regional housing authorities.

(a) Any two or more cities or counties, or any combination thereof, may, by resolution of their separate governing bodies, establish a regional housing authority, by adopting a joint resolution declaring that there is a need for a regional housing authority to provide decent, safe and sanitary housing that is affordable to persons of low and moderate income residing in a multijurisdictional area and that this need would be more efficiently served by the establishment of a regional housing authority: Provided, That any authority in existence prior to the effective date of this article that is providing services outside of the city or county boundaries will continue to have jurisdiction in the areas where the authority is providing services on the effective date of this article.

(b) Upon adoption of a resolution by two or more cities or counties, or a combination thereof, a regional housing authority shall be established and, except as otherwise provided in this article, the regional housing authority shall have perpetual existence, unless dissolved in accordance with law. Each regional housing authority established pursuant to this section, shall adopt a name for all legal and operating purposes.
(c) A certified copy of the resolutions establishing a regional housing authority shall serve as conclusive evidence that the authority has been properly established, is authorized to transact business, and exercise its powers under this article.

(d) After a regional housing authority has been established, any additional city, county or housing authority may elect to participate as a member of the regional housing authority, upon adoption of a resolution to that effect: Provided, That a majority of the existing commissioners of the regional housing authority and all participating political subdivisions, by action of their respective governing bodies, shall consent to the additional member or members.

(e) Any city or county may withdraw from participation in the regional housing authority by resolution of its governing body. Any withdrawal from participation shall be subject to the following conditions:

(1) The regional housing authority has no bonds, notes, or other obligations outstanding, or adequate provision for payment of bonds, notes, or other obligations, by escrow or otherwise, has been made. Past performance without breach or default of an obligation secured only by one or more developments or the income thereof shall be deemed to be "adequate provision";

(2) The withdrawing city or county shall make adequate provision for the performance of all of its outstanding obligations and responsibilities as a participant in the regional housing authority;

(3) The withdrawing city or county shall give six months written notice to the regional housing authority and all other cities and counties participating therein; or
(4) The commissioner or commissioners appointed by the withdrawing city or county shall be deemed to have resigned as of the date upon which the withdrawal is effective. Vacancies on the board of commissioners created by withdrawal of a city or county shall be filled in such manner as the cities and counties remaining as participants shall agree.

Notwithstanding the withdrawal of any participating city or county, the legal title to and operating responsibility for any development located outside the area of operation of the regional housing authority remaining after such withdrawal has occurred shall continue to be vested in the regional housing authority, unless a different arrangement is made.

(f) If only one city or county remains as a participant in any regional housing authority, the regional housing authority shall become the housing authority of the remaining city or county at the discretion of its governing body, or the regional housing authority shall be dissolved and its assets and liabilities transferred to another existing housing authority or to a city or county or other public agency.

§16-15-3b. Consolidated housing authorities.

(a) Two or more cities or counties may, by joint resolution of their governing bodies, merge their housing authorities to establish a regional housing authority: Provided, That each city or county considering the merger shall hold a public hearing in its area of operation prior to adopting the joint resolution.

(b) The joint resolution must provide for:

(1) The transfer of assets and liabilities and the performance of all outstanding obligations and responsibilities;

(2) The membership, terms and manner of appointment of commissioners of the regional housing authority; and
(3) The preparation, adoption and implementation of a plan of merger.

(c) Consolidations by merger pursuant to this section are subject to all of the provisions of article eleven, chapter thirty-one-e of this code except where inconsistent with the provisions of this article and except as to those provisions of article eleven, chapter thirty-one-e which have no practical application.

(d) A regional housing authority established pursuant to this section acquires and succeeds to all rights, obligations, duties and privileges of the housing authorities of which it is a successor, and will be considered for all purposes a regional housing authority established pursuant to section three-a of this article and subject to all applicable provisions of this article.
That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originating in the House.

In effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker of the House of Delegates

The within is approved this the 29th day of January, 2006.

Governor