

HOUSE BILL NO. 1216

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on General Laws

on _____)

(Patron Prior to Substitute--Delegate Glass)

A BILL to amend and reenact § 36-19 of the Code of Virginia, relating to housing authorities; powers of legal entity; use of funds and tax credits.

Be it enacted by the General Assembly of Virginia:

1. That § 36-19 of the Code of Virginia is amended and reenacted as follows:

§ 36-19. Enumeration of powers.

An authority shall constitute a political subdivision of the Commonwealth with public and corporate powers, and having all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this chapter, including the following powers in addition to others herein granted:

1. To sue and to be sued; to have a seal and to alter the same at pleasure; to have perpetual succession; to make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the authority; and to make, amend, and repeal bylaws, rules, and regulations, not inconsistent with law, to carry into effect the powers and purposes of the authority.

2. Within its area of operation, to prepare, carry out, acquire, lease, and operate housing projects and residential buildings, and to provide for the construction, reconstruction, improvement, alteration or repair of any housing project, residential building, or any part thereof; and to construct, remodel, or renovate any public building or other facility used for public purposes, provided that the authority is requested to do so by the governing body of the political subdivision wherein the public building or facility is located.

3. To arrange or contract for the furnishing by any person or agency, public or private, of services, privileges, works, or facilities for, or in connection with, a housing project or the occupants thereof; and,

27 (notwithstanding anything to the contrary contained in this chapter or in any other provision of law),₂ to
28 include in any contract let in connection with a project, any provisions required to comply with any
29 conditions ~~which~~ that the federal government may have attached to its financial aid of the project.

30 4. In connection with any housing project: to lease or rent any dwelling, houses, accommodations,
31 lands, buildings, structures,₂ or facilities embraced in any housing project and,₂ (subject to the limitations
32 contained in this chapter),₂ to establish and revise the rents or charges therefor; to own, hold, and improve
33 real or personal property; to purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise,
34 or otherwise any real or personal property or any interest therein; to acquire by the exercise of the power
35 of eminent domain any real property; to sell, lease, exchange, transfer, assign, pledge,₂ or dispose of any
36 real or personal property or any interest therein; to insure or provide for the insurance of any real or
37 personal property or operations of the authority against any risks or hazards, to procure or agree to the
38 procurement of insurance or guarantees from the federal government of the payment of any bonds or parts
39 thereof issued by an authority, including the power to pay premiums on any such insurance.

40 5. To invest any funds held in reserves or sinking funds, or any funds not required for immediate
41 disbursement, in property or security in which savings banks may legally invest funds subject to their
42 control; to purchase its bonds at a price not more than the principal amount thereof and accrued interest,
43 all bonds so purchased to be cancelled.

44 6. Within its area of operation, to investigate into living, dwelling,₂ and housing conditions and into
45 the means and methods of improving such conditions; to determine where blighted or slum areas exist or
46 where there is a shortage of decent, safe,₂ and sanitary dwelling accommodations for persons of low
47 income; to make studies and recommendations relating to the problem of clearing, replanning,₂ and
48 reconstructing of blighted or slum areas, and the problem of providing dwelling accommodations for
49 persons of low income, and to cooperate with the locality, the Commonwealth or any other political
50 subdivision thereof in action taken in connection with such problems; and to engage in research, studies,₂
51 and experimentation on the subject of housing.

52 7. To make loans or grants for the prevention and elimination of blighted or slum areas and for
53 assistance in housing construction or rehabilitation by private sponsors of any and all funds received

54 through federal programs and any and all funds received from other sources, public or private, including
55 ~~but not limited to~~ rehabilitation loans received pursuant to the provisions of § 312 of the Federal Housing
56 Act of 1964, as amended and the Housing and Community Development Act of 1974.

57 8. Within its area of operation, to act as agent for a political subdivision or agency of the
58 Commonwealth or for a federal agency in making construction or rehabilitation loans to persons of low
59 or moderate income in accordance with the rules and regulations of the political subdivision or agency.

60 9. Within its area of operation to make grants, loans, or refinance loans made by others for
61 assistance in planning, development, acquisition, construction, repair, rehabilitation, equipping, or
62 maintenance of commercial, residential, or other buildings; provided that prior approval of any such loan
63 by the local governing body shall be required if the building is not located within a housing,
64 redevelopment, or conservation area, or rehabilitation area and provided further that any rehabilitation
65 funded by any such grant or loan is in compliance with property maintenance standards contained in duly
66 adopted redevelopment or conservation plans in effect in such area of operation.

67 10. To borrow money and issue evidence of indebtedness in the name of and for the use of the
68 authority, to issue bonds and other obligations, and give security therefor, subject to such limitations as
69 may be imposed by law.

70 11. To conduct examinations and investigations, and to make available to appropriate agencies ~~(,~~
71 including those charged with the duty of abating or requiring the correction of nuisances or like conditions,
72 or of demolishing unsafe or unsanitary structures within its area of operation), its findings and
73 recommendations with regard to any building or property where conditions exist which are dangerous to
74 the public health, morals, safety, or welfare.

75 12. With the approval of the local governing body or its designee, to form corporations,
76 partnerships, joint ventures, trusts, or any other legal entity or combination thereof, on its own behalf or
77 with any person or public or private entity. Any such legal entity shall expend funds or utilize tax credits
78 only in support of projects within its area of operation. A legal entity formed by an authority pursuant to
79 this subdivision may partner with another legal entity formed by a different authority to exercise the
80 powers and duties authorized pursuant to this chapter related to projects. In the case of such partnership,

81 the legal entities may expend funds or utilize tax credits in support of projects within either legal entity's
82 area of operation. However, no legal entity formed by an authority shall engage in a project (i) outside of
83 the Commonwealth or (ii) in a locality outside of its area of operation unless such locality has an active
84 authority and the legal entity partners with such authority or a legal entity created by such authority. The
85 books and records of such entity shall be made available, upon request, to the local governing body or its
86 designee.

87 13. To exercise all or any part or combination of powers herein granted.

88 No provisions of law with respect to the acquisition, operation, or disposition of property by other
89 political subdivisions or public bodies shall be applicable to an authority unless the legislature shall
90 specifically state.

91 **2. That the provisions of this act shall not apply to any contract, project, partnership, or similar**
92 **financial transaction or relationship that was created or entered into before July 1, 2023.**

93 **3. That the provisions of this act shall become effective on July 1, 2023.**

94 #