

"HOUSING AUTHORITIES LAW"

Act of May 28, 1937, P.L. 955, No. 265

Cl. 64

AN ACT

To promote public health, safety, morals, and welfare by declaring the necessity of creating public bodies, corporate and politic, to be known as housing authorities to engage in slum clearance, and to undertake projects, to provide dwelling accommodations for persons of low income; providing for the organization of such housing authorities; defining their powers and duties; providing for the exercise of such powers, including the acquisition of property by purchase, gift or eminent domain, the renting and selling of property, and including borrowing money, issuing bonds, and other obligations, and giving security therefor; prescribing the remedies of obligees of housing authorities; authorizing housing authorities to enter into agreements, including agreements with the United States, the Commonwealth, and political subdivisions and municipalities thereof; defining the application of zoning, sanitary, and building laws and regulations to projects built or maintained by such housing authorities; exempting the property and securities of such housing authorities from taxation; and imposing duties and conferring powers upon the State Planning Board, and certain other State officers and departments. (Title amended May 20, 1949, P.L.1614, No.486)

**Compiler's Note:** Section 301(a)(9) of Act 58 of 1996, which created the Department of Community and Economic Development and abolished the Department of Community Affairs, provided that housing, community assistance and other functions under Act 265 are transferred from the Department of Community Affairs to the Department of Community and Economic Development.

**Compiler's Note:** Section 1 of Act 165 of 1970 provided that the limits heretofore imposed by Act 265 upon the rates of interest and interest costs permitted to be paid upon bonds, obligations and indebtedness issued by the Commonwealth or its agencies or instrumentalities or authorities, and by local political subdivisions or their agencies or authorities, are hereby removed for such bonds, obligations or indebtedness.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

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Section 1. Short Title.--This act may be referred to as the "Housing Authorities Law."

Section 2. Findings and Declaration of Policy.--It has been determined by the General Assembly of this Commonwealth, and it is hereby declared as a matter of legislative finding that--

(a) There exists in urban and rural communities, within the various counties of this Commonwealth, numerous slums and unsafe, unsanitary, inadequate or overcrowded dwellings, which conditions are accompanied and aggravated by an acute shortage of decent, safe, and sanitary dwellings within the financial reach of persons of low income, such conditions arising from overcrowding, dilapidation, faulty construction, obsolete buildings, lack of proper light, air, and sanitary facilities.

(b) The existence of any of the above enumerated conditions is prejudicial to the welfare of the people of this Commonwealth because such conditions--(1) encourage the spread of disease and impair public health and morals; (2) increase the hazards of fires, accidents, and other calamities which result in loss of life and property; (3) subject the moral standards of the people to bad influences which have permanent deleterious social effects; (4) increase the violation of the criminal laws of the Commonwealth so as to jeopardize the safety and well-being of the inhabitants thereof; (5) necessitate the expenditure of vast sums of public money, both by the Commonwealth and local governmental bodies, for the purpose of crime prevention, punishment, and correction, fire and accident prevention, public health service and relief.

(c) The failure to remedy the acute dwelling shortage is directly related to the stagnation of business activity in the construction, durable goods, and allied industries which are conducted within this Commonwealth, and the stagnation of which has produced serious and prolonged unemployment, with all its

injurious effects upon the welfare of the inhabitants of this Commonwealth.

(d) Private industry alone has been and now is unable to overcome the obstacles which have prevented and are now preventing it from clearing slum areas and relieving the shortage of decent, safe, and sanitary dwellings for persons of low income, and the construction, pursuant to this act, of housing projects for persons of low income would therefore not be competitive with private enterprise.

Therefore, it is hereby declared to be the policy of the Commonwealth of Pennsylvania to promote the health and welfare of the inhabitants thereof by the creation of corporate and politic bodies to be known as housing authorities. The public purposes for which such authorities shall operate shall be--(1) the clearance, replanning, and reconstruction of the areas in which slums exist; (2) the providing of safe and sanitary dwelling accommodations for persons of low income through new construction or the reconstruction, restoration, reconditioning, remodeling or repair of existing structures, so as to prevent recurrence of the economically and socially disastrous conditions hereinbefore described; and (3) the accomplishment of a combination of the foregoing. Such purposes are hereby declared to be public uses for which public money may be spent, and private property acquired by the exercise of the power of eminent domain. (Par. amended, Dec. 22, 1965, P.L.1167, No.461)

Section 3. Definitions.--The following words, terms, and phrases, where used or referred to in this act, shall have the meanings ascribed to them in this section, except in those instances where the context clearly indicates a different meaning:

(a) "Authority" or "Housing Authority." A public body and a body corporate and politic created and organized, in accordance with the provisions of this act, for the purposes, with the powers, and subject to the restrictions hereinafter set forth.

(b) "Bonds." Any bonds, interim certificates, notes, debentures or other obligations of the Authority issued pursuant to this act.

(c) "City." Any city of the first, second, second class A, or third class. "The city" shall mean the particular city for which a particular housing authority is created. ((c) amended May 20, 1949, P.L.1614, No.486)

(d) "Clerk." The clerk of the city or the chief clerk of the county, as the case may be, or the officer charged with the duties customarily imposed on such clerk. In cities of the first class, clerk shall mean the clerk of council.

(e) "County." Any county of this Commonwealth other than a county of the first class. "The county" shall mean the particular county for which a particular housing authority is created.

(f) "Federal Government." The United States of America, the Federal Emergency Administration of Public Works, or any other agency or instrumentality, corporate or otherwise, of the United States of America.

(g) "Field of Operation." The area within the territorial boundaries of the city or county for which the particular housing authority is created: Provided, however, That the field of operation of any county authority, except as hereinafter provided, shall not include a city, unless its authority has never been authorized to function pursuant to section 4, or, if authorized to function, has ceased to do so pursuant to section 4.1 of this act. For the purposes of section 14.1 of

this act only, "field of operation" shall also include any county, city, borough or incorporated town, or any portion thereof not included in said area, in which the housing authority exercises its powers under the provisions of section 14.1 of this act. ((g) amended Nov. 16, 1967, P.L.495, No.242)

(h) "Governing Body." In the case of a city, the city council or other legislative body thereof, and in the case of a county, the board of county commissioners or other legislative body thereof.

(i) "Government." Includes the State and Federal Governments, or any subdivision, agency or instrumentality, corporate or otherwise, or either of them.

(j) "Housing Project" or "Project." Any work or undertaking -- (1) To demolish, clear or remove buildings from any slum area, or to adapt such area to public purposes, including parks, playgrounds, swimming pools or other recreational or community purposes; or (2) to provide safe and sanitary dwelling accommodations by means of new construction, or the reconstruction, restoration, reconditioning, remodeling, or repair of existing structures for persons of low income, such work or undertaking may include buildings, land, equipment, facilities, and other real or personal property for necessary, convenient or desirable appurtenances, streets, sewers, water services, parks, site preparation, gardening, administrative, community, health, recreational, educational, welfare or other purposes; or (3) to accomplish a combination of the foregoing. The term "Housing Project" or "Project" may be applied to the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration, and repair of existing improvements, and all other work in connection therewith. ((j) amended Dec. 22, 1965, P.L.1167, No.461)

(k) "Mayor." The mayor of the city, or the officer thereof charged with the duties customarily imposed on the mayor or executive head of the city.

(l) "Member." One of the members of an Authority appointed in accordance with the provisions of this act.

(l.1) "Mixed-use Projects." Any project that includes a commercial, industrial, market-rate residential or retail component, and either-- (1) a low-income housing component; or (2) is within a two-mile radius of a low-income housing project owned, leased, either in the capacity of lessor or lessee, held or financed by an Authority. ((l.1) added Nov. 9, 2006, P.L.1355, No.145)

(m) "Municipality." Any county, city, borough or township.

(n) "Obligee of the Authority" or "Obligee." Any bondholder, trustee or trustees for any bondholders, any lessor demising property to the authority used in connection with a housing project, or any assignee or assignees of such lessor's interest, or any part thereof, and the Federal Government when it is a party to any contract with the Authority.

(o) "Persons of Low Income." Persons or families whose income shall not exceed the amount specified in section thirteen.

(p) "Real Property." Lands, lands under water, structures, and any and all easements, franchises, and incorporeal hereditaments, and every estate and right therein, legal and equitable, including terms for years and liens by way of judgment, mortgage, or otherwise.

(q) "Slums." Any area in which there is a predominance of structures which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or

sanitary facilities, or any combination of these factors, are detrimental to safety, health, and morals.

The singular shall include the plural, and the masculine the feminine and neuter.

Section 4. Formation of Housing Authorities.--(a) There are hereby created separate and distinct bodies, corporate and politic, one for each city (as herein defined), and one for each of the counties of the Commonwealth. Each such Authority may be known as the housing authority of the city or the county, as the case may be, but shall in no way be deemed to be an instrumentality of such city or county, or engaged in the performance of a municipal function. Each such Authority shall transact no business or otherwise become operative until and unless a finding is made, as hereinafter provided in this section.

(b) The governing body of any city or county may find and declare by proper resolution that there is need for an Authority to function within the territorial limits of said city or county, as the case may be, in such event, the clerk shall issue a certificate reciting the adoption of such resolution. This procedure may be employed at any time after the passage of this act.

(c) If the governing body of any city or county fails to adopt such a resolution and have such a certificate issued within ninety (90) days from the date of enactment of this act, any twenty-five (25) citizens and taxpayers, resident in such city or county, may submit, over their signatures, a petition to the Governor of the Commonwealth, setting forth that, in their estimation, there is need that an Authority shall function within said city or county, and the Governor, after determining, as hereinafter provided, that there is such need, shall issue a certificate so declaring.

(d) The governing body of any city or county or the Governor, as the case may be, shall declare that there is need for a housing authority to function within such city or county if and only if the said governing body or the Governor shall find, either that--(1) unsanitary or unsafe dwelling accommodations exist in said city or county; or that (2) there is a lack of sufficient, safe, and sanitary dwelling accommodations in said city or county available to persons of low income, and that this results in any of the conditions described in section two (b) and (c) of this act. In determining whether dwelling accommodations are unsafe or unsanitary, said governing body or the Governor, as the case may be, shall take into consideration the degree of overcrowding, the percentage of land coverage, the light, air space, and access available to the inhabitants of such dwelling accommodations, the size and arrangement of the rooms, the sanitary facilities, and the extent to which conditions exist in such buildings, which endanger life, health or property by fire, disease or other causes.

(e) The governing body or the Governor, as the case may be, shall cause the aforesaid certificate to be filed with the Department of State and a duplicate thereof with the State Planning Board. Whenever the Governor shall issue a certificate, in the manner hereinbefore prescribed, declaring the need for an Authority to operate within any city or county, he shall notify the governing body of such city or county of such action. ((e) amended May 20, 1949, P.L.1614, No.486)

(f) In any suit, action or proceeding involving the validity or enforcement of, or relating to, any contract of the Authority, the Authority shall, upon proof of the issuance of

the aforesaid certificate by the governing body or the Governor, as the case may be, be conclusively deemed to have been established in accordance with the provisions of this act. A copy of such certificate duly certified by the Department of State shall be admissible in evidence in any suit, action or proceedings, and shall be conclusive proof of the filing and contents of the certificate, and that the Authority has been properly established.

Section 4.1. Dissolution of City Authorities.--If a city authority has never issued any bonds, or incurred any other debts or contractual obligations, or has paid and has been released from and discharged of all debts and bonded, contractual and other obligations, the governing body of the city may, after three years from the date of the certificate described in subsection (e) of section 4, or earlier if a proper resolution of the authority requests the action hereinafter described, find and declare by proper resolution that its functions can be more properly carried out by a county authority and that there is no longer any need for the authority created for such city to function. In such case the governing body shall issue a certificate reciting the adoption of such resolution, and shall cause such certificate to be filed with the Department of State and two duplicates thereof with the Department of Community Affairs. Upon such filing the city authority shall cease to function, and title to any assets held by the authority at that time shall pass to the city. A copy of the certificate described in this section shall be admissible in any suit, action or proceeding and shall be conclusive proof that the authority has ceased to be in existence.

(4.1 added Nov. 16, 1967, P.L.495, No.242)

Section 4.2. Dissolution of County Authorities.--If a county authority has never issued any bonds, or incurred any other debts or contractual obligations, or has paid and has been released from and discharged of all debts and bonded, contractual and other obligations, the governing body of the county may, after three years from the date of the certificate described in subsection (e) of section 4, or earlier if a proper resolution of the authority requests the action hereinafter described, find and declare by proper resolution that there is no longer any need for the authority created for such county to function. In such case the governing body shall issue a certificate reciting the adoption of such resolution, and shall cause such certificate to be filed with the Department of State and two duplicates thereof with the Department of Community Affairs. Upon such filing the county authority shall cease to function, and title to any assets held by the authority at that time shall pass to the county. A copy of the certificate described in this section shall be admissible in any suit, action or proceeding and shall be conclusive proof that the authority has ceased to be in existence.

(4.2 added Nov. 16, 1967, P.L.495, No.242)

Section 5. Appointment of Members of an Authority.--(a) The board of county commissioners for any county upon issuing a certificate declaring the need for an Authority to operate in such county or upon receiving notice of the issuance of such certificate by the Governor, shall appoint five citizens, residents of the county, to be members of the housing authority which is to operate within such county. Such members shall be citizens residing within the county for which the Authority is created.

(b) The governing body of any city upon issuing a certificate declaring the need for an Authority to operate in

such city or upon receiving notice of the issuance of such certificate by the Governor, shall promptly notify the mayor of such certification. Upon receiving such notice, the mayor, with the approval of the majority of the members of council, shall appoint residents of the city to be members of the housing authority of such city as follows--(1) that in cities of the first class, members shall be appointed as provided in subsection (c); (2) that in cities of the second class, the mayor shall appoint two additional members for a total of seven members of the housing authority; (3) that in cities of the third class, the mayor, with the approval of the majority of the members of council, shall appoint five persons to be members of the housing authority of such city, such members shall be citizens residing within the city for which the Authority is created. ((b) amended July 5, 2012, P.L.1093, No.130)

(c) (1) In cities of the first class, the mayor, with the approval of the majority of the members of council, shall appoint a total of nine members, two of whom shall be residents of housing owned or controlled by the Authority.

(2) The two members required to be residents of housing owned or controlled by the Authority shall be chosen pursuant to a nomination process agreed upon by the mayor, council president and the executive director of the Authority.

(3) With respect to vacancies existing at the time this subsection becomes effective, if council fails to act on any proposed appointee to such a vacancy within sixty (60) days of the mayor's submission of the proposed appointee to council, the mayor may, without the approval of council, appoint such person to be a member of the Authority; as many proposed appointees may be appointed in this manner as may be necessary to bring membership on this Authority to five members. A member appointed without the approval of council may be subsequently approved by council, or may be replaced by another member appointed by the mayor, with the approval of the majority of the members of council.

((c) added July 5, 2012, P.L.1093, No.130)

(5 amended July 15, 1968, P.L.337, No.163)

Section 6. Qualifications, Tenure and Compensation of Members of an Authority.--No more than two persons holding any other paid public office shall be members of the same housing authority at the same time. No elected official shall be a member of a housing authority in a city of the first class. The members who are first appointed shall serve for terms of one, two, three, four, and five years, respectively, from the date of their appointment, as shall be specified at the time of their appointment, except that all members of the housing authority of a city of the first class shall serve for terms concurrent with the term of the appointing mayor. Thereafter the term of office shall be five years, except as otherwise provided with respect to members of the housing authority of a city of the first class. The two additional members to be appointed in cities of the second class shall serve for terms of five years. A member shall hold office until his successor has been appointed. Vacancies for unexpired terms shall be promptly filled by the appointing power. A member may be removed for cause by the court of quarter sessions of the county in which the Authority is located after having been provided with a copy of the charges against him for at least ten days and full hearing by the court, except effective January 4, 2016, in a city of the first class, the mayor of such city may, without cause, remove up to five members of an Authority of such city during any calendar year, with resulting vacancies to be filled

pursuant to section 5(c); removal of any member in excess of five in a single calendar year shall be as otherwise provided in this section. A member shall receive no compensation for his services, but he shall be entitled to the necessary expenses, including travelling expenses incurred in the discharge of his duties.

(6 amended July 5, 2012, P.L.1093, No.130)

Section 7. Organization of an Authority.--(a) The members of an Authority shall select from among themselves a chairman and a vice-chairman. The Authority may employ a secretary, such technical experts, and such other officers, agents, and employes, permanent or temporary, as it may require, and may determine the qualifications of such persons. Three members of an Authority shall constitute a quorum for its meetings, except that a majority of the members of the Authority then in office in a city of the first class shall constitute a quorum for meetings of such an Authority. Any Authority may employ its own counsel and legal staff. Members of an Authority shall not be liable personally on the bonds or other obligations of the Authority, and the rights of creditors shall be solely against such Authority. An Authority may delegate to one or more of its agents or employes such of its powers as it shall deem necessary to carry out the purposes of this act, subject always to the supervision and control of the Authority.

(b) In an Authority in a city of the first class, the executive director and staff with executive duties who report directly to either the executive director or members of the Authority shall serve in accordance with the terms and conditions approved in writing by the members of the Authority.

((b) amended Dec. 14, 2023, P.L.395, No.46)

(7 amended July 5, 2012, P.L.1093, No.130)

Section 8. Interested Members or Employes.--No member or employe of an Authority shall acquire any interest, direct or indirect, in any housing project or in any property included or planned to be included in any project, nor shall he have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used in connection with any housing project. If any member or employe of an Authority owns or controls an interest, direct or indirect, in any property included or planned to be included in any housing project of the Authority, or has any such interest in any contract for material or services to be furnished or used in connection with any housing project, he shall immediately disclose the same in writing to the Authority, and such disclosure shall be entered in writing upon the minute books of the Authority. Failure so to disclose such interest shall constitute misconduct in office. Any such undisclosed profit, which results to any member or employe of an Authority, shall render such member or employe liable to surcharge in favor of the Authority to the full amount of such profit. Such profit need not be realized in order to fall within the meaning of this section. Proceedings to surcharge any member or employe may be instituted by an Authority or by the State Planning Board on its behalf with or without its consent.

(8 amended May 20, 1949, P.L.1614, No.486)

Section 9. Filing of Charges Against Members or Employes.--Any obligee of an Authority may file with the appointing power or with the State Planning Board written charges that the Authority, or any member or employe of an Authority, is violating section eight of this act, or any other law of the Commonwealth.

(9 amended May 20, 1949, P.L.1614, No.486)

Section 10. Powers of an Authority.--An Authority shall constitute a public body, corporate and politic, exercising public powers of the Commonwealth as an agency thereof, which powers shall include all powers necessary or appropriate to carry out and effectuate the purpose and provisions of this act, including the following powers, in addition to others herein granted:

(a) To investigate into living, dwelling, and housing conditions, and into the means and methods of improving such conditions.

(b) To determine where unsafe or unsanitary dwelling or housing conditions exist, or where there is a shortage of safe and sanitary dwelling accommodations for persons of low income.

(c) To study and make recommendations concerning the plan of any city or municipality located within the field of operation of the Authority in relation to the problem of clearing, replanning, and reconstructing areas in which unsafe or unsanitary dwelling or housing conditions exist, and the problem of providing dwelling accommodations for persons of low income.

(d) To cooperate with any city, county, regional, Federal or other agency.

(e) To prepare, carry out, acquire, lease, and operate housing projects, to provide for the construction, reconstruction, improvement, alteration or repair of any housing project, or any part thereof.

(f) To take over by purchase, lease, or otherwise, any housing project located within its field of operation undertaken by any government.

(g) To cooperate with and act as agent of the Federal Government for the public purposes set out in this act in connection with the acquisition, construction, operation or management of any housing project, or part thereof.

(h) To arrange with any city or other municipality located, in whole or in part, within the Authority's field of operation, or with the Federal or State Government for the furnishing, planning, replanning, installing, opening or closing of streets, roads, roadways, alleys, sidewalks or other places or facilities, or for the acquisition by such city, municipality or the Federal or State Government of property options or property rights, or for the furnishing of property or services in connection with a project.

(i) To clear areas of unsafe or unsanitary housing, and to provide for the use of cleared sites for community facilities and for any other public purpose authorized by this act.

(j) To arrange with the Commonwealth, its subdivisions and agencies, and any county, city or other municipality of the State, to the extent that it is within the scope of each of their respective functions-- (1) to cause the services customarily provided by each of them to be rendered for the benefit of such housing authority, or the occupants of any housing projects of the Authority; and (2) to provide and maintain parks, recreational centers, schools, sewerage, transportation, water, and other municipal facilities adjacent to, or in connection with, housing projects; and (3) to plan, replan, zone or rezone any part of the municipality in connection with any housing project of the Authority.

(k) To lease or rent any of the dwellings or other accommodations or any of the lands, buildings, structures or facilities embraced in any housing project, and (subject to the limitations contained in this act) to establish and revise the rents or charges therefor.

(l) To enter upon any building or property in order to make surveys or soundings.

(m) To purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise, or otherwise, any real or personal property, or any interest therein, from any person, firm, corporation, municipality or government.

(n) To acquire by eminent domain any real property, including improvements and fixtures, for the public purposes set forth in this act, in the manner hereinafter provided.

(o) To sell, exchange, transfer or assign any real or personal property, or interest therein, to any person, firm, corporation, public or private, when the Authority determines that such property is not needed for the purposes of this act.

(p) To own, hold clear, and improve real property.

(q) To insure or provide for the insurance of any property or operations of the Authority against any risks or hazards.

(r) To procure or agree to the procurement of insurance or guarantees from the Federal Government of the payment of any debts, or parts thereof, incurred by said Authority, and to pay premiums in connection therewith.

(s) To invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement in such investments as may be lawful for executors, administrators, guardians, trustees, and other fiduciaries under any law of this Commonwealth.

(t) To sue and be sued.

(u) To adopt a seal and to alter the same at pleasure.

(v) To have perpetual succession.

(w) To make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the Authority.

(x) To make and from time to time to amend and repeal resolutions, rules, and regulations, not inconsistent with this act, in order better to carry into effect the powers of the Authority.

(y) To conduct examinations and investigations and to hear testimony and take proof, under oath or affirmation, at public or private hearings, on any matter material for its information.

(z) To issue subpoenas requiring the attendance of witnesses and the production of books and papers pertinent to any hearing before such Authority, or before one or more members of the Authority appointed by it to conduct such hearing.

(aa) To apply to any court, having territorial jurisdiction of the offense, to have punished for contempt any witness who refuses to obey a subpoena, or who refuses to be sworn or affirmed or to testify, or who is guilty of any contempt after summons to appear.

(bb) To authorize any member or members of such Authority to conduct hearings and to administer oaths, take affidavits, and issue subpoenas.

(cc) To make available to such agencies, boards or commissions as are charged with the duty of abating or requiring the correction of nuisances or like conditions or of demolishing unsafe or unsanitary structures within the field of operation of such Authority, its findings and recommendations with regard to any building or property where there exist conditions dangerous to the public health, morals, safety or welfare.

(dd) To sell any dwelling unit to any member of a tenant family if the dwelling to be sold is sufficiently separable from other property retained by the public housing authority to make it suitable for sale. ((dd) added July 18, 1969, P.L.168, No.69)

(ee) In a county of the second class and city of the second class, to appoint police officers who shall exercise the same powers that may be exercised under authority of law or ordinance by the police of the municipalities wherein the Authority is located, including, but not limited to, those powers conferred pursuant to 42 Pa.C.S. Ch. 89 Subch. D (relating to municipal police jurisdiction) with respect to the property and enforcing order on and adjacent to the grounds and buildings of the Authority: Provided, That said police officers complete the same course of instruction as is required for municipal police officers by 53 Pa.C.S. Ch. 21 Subch. D (relating to municipal police education and training) and receive certification by the Municipal Police Officers' Education and Training Commission as having completed the instruction. Said police officers shall maintain the certification as a condition of employment as police officers for the Authority. ((ee) amended Feb. 2, 2012, P.L.65, No.8)

(ff) In the city of the first class, to appoint security officers who shall have the same rights, powers and duties as police officers in the Commonwealth in and upon the grounds and buildings of the Authority and in instances of hot pursuit within the boundaries of the city of the first class and who shall be authorized to arrest persons for the commission of any offense and the keepers of the jails and other places of detention in the city of the first class shall receive all persons arrested by such security officers for purposes of detention until they are dealt with according to law: Provided, however, That such security officers successfully complete the course of instruction provided under the act of June 18, 1974 (P.L.359, No.120), referred to as the Municipal Police Education and Training Law. The Authority shall, to the maximum extent practicable, give preference in hiring security officers first to any person living in public housing and receiving any form of State or Federal public assistance, and second, to any other person living in public housing. ((ff) added Oct. 5, 1980, P.L.690, No.140)

(gg) To make, execute and enter into employment agreements, which are necessary or convenient to the exercise of the powers of the Authority, with any individual who is or will be hired to work in any position that is not represented by a bargaining representative under the act of July 23, 1970 (P.L.563, No.195), known as the "Public Employe Relations Act," or part of a bargaining unit that has been created by an order of the Pennsylvania Labor Relations Board pursuant to the "Public Employe Relations Act." Such employment agreements must be in writing and must be approved by the Authority and may not be renewed except by the affirmative approval of the Authority. No such employment agreement nor any term thereof shall be enforceable or amended or renewed unless such agreement or amendment is in writing and approved by the Authority as stated above. Any employment agreement created or approved pursuant to this subsection may-- (1) identify the specific terms and conditions of the individual's employment; (2) confer a specific term of tenure in employment which may be for a specific period of time not to exceed five years; (3) otherwise limit or state the power of the Authority to summarily dismiss such employe and the circumstances under which such dismissal shall be exercised; or (4) any combination of subclauses (1) through (3) above; however, any employment agreement created or approved pursuant to this clause which confers a specific term or tenure of employment under subclause (2) above must also enumerate the circumstances under which the Authority may terminate the

employment agreement for cause, including the lack of funding, prior to the expiration of the expressed term or agreement. If such agreement does not contain the items stated in subclause (2) or (3), the employe may be summarily dismissed by the Authority, and the agreement terminated at any time. Under no circumstances shall the mayor or any individual employe, official agent, attorney or member of the Authority be personally liable for any provision contained in any such employment agreement. Any employment agreement into which the Authority enters pursuant to this clause shall not be subject to the provisions of section 11 or to the contract procurement provisions, rules or regulations to which the Authority is otherwise subjected. ((gg) added Nov. 9, 2006, P.L.1355, No.145)

(hh) To cooperate and execute agreements with other authorities for the purposes of accommodating a tenant who requests to be relocated under section 13.3. ((hh) added Oct. 24, 2018, P.L.914, No.148)

**Compiler's Note:** Section 2 of Act 140 of 1980, which added clause (ff), provided that nothing in Act 140 shall be construed to amend, modify or repeal a collective bargaining agreement now or hereafter entered into between such security officers and its employe organization or representative under the authority of the act of July 23, 1970 (P.L.563, No.195), known as the Public Employe Relations Act.

Section 10.1. Undertakings Constituting Mixed-Use Projects.--Without limiting the powers set forth in section 10, an Authority shall have the power to do all acts that are necessary, convenient or useful to the development or operation of one or more mixed-use projects, including, with the approval of the municipality in which the Authority lies, the power to plan, design, locate, acquire through purchase, the exercise of powers under 26 Pa.C.S. (relating to eminent domain) or otherwise, hold, construct, finance, improve, maintain, operate, own or lease, either in the capacity of lessor or lessee, land, buildings, other structures and personal property necessary, convenient or useful to the development or operation of a mixed-use project. An Authority shall have the power to finance mixed-use projects by borrowing money, making and issuing bonds, governmental and private activity, or other obligations, and making loans which may be evidenced by and secured as may be provided in loan agreements, mortgages, security agreements, or any other contracts, instruments or agreements, which may contain such provisions as the Authority shall deem necessary, convenient or useful for the security or protection of the Authority or its bondholders, except that in no instance may money designated for use on the housing component of a mixed-use project be utilized in a manner inconsistent with its purpose. Any Authority under this section may pledge, mortgage, hypothecate or otherwise encumber all or any part of its property, real or personal, constituting all or part of a mixed-use project, including, but not limited to, the revenues or receipts of the Authority from one or more mixed-use projects, for all or any of the obligations, including bonds, of the Authority incurred in connection with the development or operation of a mixed-use project. Nothing in this section shall be construed to expand the eminent domain power of an Authority beyond that permitted under 26 Pa.C.S.

(10.1 added Nov. 9, 2006, P.L.1355, No.145)

Section 10.2. Whistleblower Hotline.--An Authority of a city of the first class shall maintain and monitor a whistleblower hotline for the reporting of fraud, waste, abuse

or any wrongdoing in connection with the affairs of the Authority.

(10.2 added July 5, 2012, P.L.1093, No.130)

Section 11. Awards of Contracts; Completion Bond; Additional Bond for Protection of Materialmen and Others.--

(a) Whenever the estimated cost of any construction, erection, installation, completion, alteration, repair of, or addition to, any project subject to the control of any Authority shall exceed the base amount of eighteen thousand five hundred (\$18,500) dollars, subject to adjustment under subsection (b.3), it shall be the duty of said Authority to have such work performed pursuant to a contract awarded to the lowest responsible bidder, after advertisement for bids. Every such contract shall contain a provision obligating the contractor to the prompt payment of all material furnished, labor supplied or performed, rental for equipment employed, and services rendered by public utilities in or in connection with the prosecution of the work, whether or not the said material, labor, equipment or service enter into and become component parts of the work or improvement contemplated. Such provision shall be deemed to be included for the benefit of every person, copartnership, association or corporation who, as subcontractor or otherwise, has furnished material, supplied or performed labor, rented equipment or services in or in connection with the prosecution of the work as aforesaid, and the inclusion thereof in any contract shall preclude the filing by any such person, copartnership, association or corporation of any mechanics' lien claim for such material, labor or rental of equipment.

(b) Whenever the estimated cost of any purchase of supplies, materials or equipment or the rental of any equipment, whether or not the same is to be used in connection with the construction, erection, installation, completion, alteration, repair of, or addition to, any project subject to the control of any Authority, shall exceed the base amount of eighteen thousand five hundred (\$18,500) dollars, subject to adjustment under subsection (b.3), it shall be the duty of such Authority to have such purchase or rental made pursuant to a contract awarded to the lowest responsible bidder, after advertisement for bids, such advertisement to be inserted in a newspaper of general circulation within the county in which the Authority operates.

(b.1) An authority shall not evade the provisions of subsection (a) or (b) as to advertising for bids by purchasing materials or contracting for services piecemeal for the purpose of obtaining prices under the base amount of eighteen thousand five hundred (\$18,500) dollars, subject to adjustment under subsection (b.3), upon transactions which should, in the exercise of reasonable discretion and prudence, be conducted as one transaction amounting to more than the base amount of eighteen thousand five hundred (\$18,500) dollars, subject to adjustment under subsection (b.3). This provision is intended to make unlawful the practice of evading advertising requirements by making a series of purchases or contracts, each for less than the advertising requirement price, or by making several simultaneous purchases or contracts, each below said price, when, in either case, the transactions involved should have been made as one transaction for one price.

(b.2) Written or telephonic price quotations from at least three qualified and responsible contractors shall be requested for all contracts that exceed the base amount of ten thousand (\$10,000) dollars, subject to adjustment under subsection (b.3),

but are less than the amount requiring advertisement and competitive bidding or, in lieu of price quotations, a memorandum shall be kept on file showing that fewer than three qualified contractors exist in the market area within which it is practicable to obtain quotations. A written record of telephonic price quotations shall be made and shall contain at least the date of the quotation, the name of the contractor and the contractor's representative, the construction, reconstruction, repair, maintenance or work which was the subject of the quotation and the price. Written price quotations, written records of telephonic price quotations and memoranda shall be retained for a period of three years.

(b.3) Adjustments to the base amounts specified under subsections (a) and (b) shall be made as follows:

(1) The Department of Labor and Industry shall determine the percentage change in the Consumer Price Index for All Urban Consumers: All Items (CPI-U) for the United States City Average as published by the United States Department of Labor, Bureau of Labor Statistics, for the twelve-month period ending September 30, 2012, and for each successive twelve-month period thereafter.

(2) If the department determines that there is no positive percentage change, then no adjustment to the base amounts shall occur for the relevant time period provided for in this subsection.

(3) (i) If the department determines that there is a positive percentage change in the first year that the determination is made under paragraph (1), the positive percentage change shall be multiplied by each base amount and the products shall be added to the base amounts, respectively, and the sums shall be preliminary adjusted amounts.

(ii) The preliminary adjusted amounts shall be rounded to the nearest one hundred dollars (\$100) to determine the final adjusted base amounts for purposes of subsections (a) and (b).

(4) In each successive year in which there is a positive percentage change in the CPI-U for the United States City Average, the positive percentage change shall be multiplied by the most recent preliminary adjusted amounts, and the products shall be added to the preliminary adjusted amount of the prior year to calculate the preliminary adjusted amounts for the current year. The sums thereof shall be rounded to the nearest one hundred dollars (\$100) to determine the new final adjusted base amounts for purposes of subsections (a) and (b).

(5) The determinations and adjustments required under this subsection shall be made in the period between October 1 and November 15 of the year following the effective date of this subsection and annually between October 1 and November 15 of each year thereafter.

(6) The final adjusted base amounts and new final adjusted base amounts obtained under paragraphs (3) and (4) shall become effective January 1 for the calendar year following the year in which the determination required under paragraph (1) is made.

(7) The department shall publish notice in the Pennsylvania Bulletin prior to January 1 of each calendar year of the annual percentage change determined under paragraph (1) and the unadjusted or final adjusted base amounts determined under paragraphs (3) and (4) at which competitive bidding is required under subsection (a) and written or telephonic price quotations are required under subsection (b.2), respectively, for the calendar year beginning the first day of January after publication of the notice. The notice shall include a written and illustrative explanation of the calculations performed by

the department in establishing the unadjusted or final adjusted base amounts under this subsection for the ensuing calendar year.

( 8) The annual increase in the preliminary adjusted base amounts obtained under subclauses (3) and (4) shall not exceed three per centum (3%).

(c) A housing authority shall require as a condition of the award of any contract, pursuant to subsection (a) or (b) of this section, that the contractor give to the Authority any bond (including bonds for the performance of the contract, and for the prompt payment by the contractor for material, supplies, labor, services and equipment) which are prescribed by law for contracts awarded by cities or counties, as the case may be, of the same class as the city or county for which such Authority has been created.

(d) Notwithstanding anything to the contrary contained in this act or in any other provision of law, a housing authority may include, in any contract let in connection with a project, stipulations requiring that the contractor and any subcontractors comply with requirements as to minimum wages and maximum hours of labor, and comply with any conditions which the Federal or State Government may have attached to its financial aid of the project.

(e) Every Authority awarding contracts or requiring the delivery of bonds pursuant to this section shall keep an exact copy of every contract awarded or bond delivered upon file at its principal office. Subject to regulations to be prescribed by the State Planning Board for their safe keeping such copies shall be opened to public inspection.

(f) Any authority member who votes to unlawfully evade the provisions of this section and who knows that the transaction upon which he so votes is or ought to be a part of a larger transaction and that it is being divided in order to evade the requirements as to advertising for bids commits a misdemeanor of the third degree for each contract entered into as a direct result of that vote.

(11 amended Nov. 3, 2011, P.L.396, No.96)

**Compiler's Note:** Section 2 of Act 96 of 2011, which amended section 11, provided that Act 96 shall apply to contracts and purchases advertised on or after January 1 of the year following the effective date of section 2.

Section 11.1. Payment of Taxes and Municipal Utility Bills Owed.--(a) All persons contracting with the housing authority as a lessor shall be required to supply a tax certification notice which indicates payment of all municipal, county and school district taxes as well as proof of payment of all applicable municipal utility bills. Such certification shall be made upon initial application and annually thereafter. Failure to provide such certifications shall result in denial or termination of any contract with the housing authority.

(b) As used in this section, the following words and phrases shall have the meanings given to them in this subsection:

"Municipal Utility Bills." Bills for services provided by a utility which is wholly owned and operated by a municipality or municipal authority. The term shall include, but not be limited to, water, sewer and solid waste disposal utility bills.

(11.1 added Dec. 21, 1998, P.L.1012, No.134)

Section 12. Operation of Authority Not for Profit.--It is hereby declared to be the policy of this Commonwealth that each housing authority shall manage and operate its housing projects in an efficient manner, so as to enable it to fix the rentals

for dwellings at the lowest possible rates, consistent with providing decent, safe, and sanitary dwellings, and that no housing authority shall construct or operate any such project for profit. To this end an Authority shall fix rentals for dwellings in its projects at no higher rates than it shall find necessary, in order to produce revenues which, together with all other available moneys, revenues, income, and receipts of the Authority from whatever sources derived, will be sufficient--(a) to pay as the same become due the principal and interest on any bonds of the Authority; (b) to meet and provide for the cost of maintaining and operating of the projects (including the cost of any insurance) and the administrative expenses of the Authority; and (c) to create, during not less than the six years immediately succeeding its issuance of any bonds, a reserve sufficient to meet the largest principal interest payments which shall be due on such bonds in any one year thereafter, and to maintain such reserve; (d) to make such payments, if any, in lieu of taxes, as may be agreed upon pursuant to section twenty-three.

Section 13. Establishment of Rentals and Selection of Tenants.--Subject to the preferences under section 13.2, an Authority may rent or lease dwelling accommodations only to persons of low income and at rentals within their financial reach. It may rent or lease to a tenant a dwelling consisting of the number of rooms (but no greater number) which it deems necessary to provide safe and sanitary accommodations to the proposed occupants thereof without overcrowding. It shall not accept any person as a tenant in any housing project if the person or persons, who would occupy the dwelling, have an aggregate annual income in excess of six times the annual rental of the quarters to be furnished such person or persons. In computing rental for the purpose of selecting tenants, there shall be included in the rental the average annual cost, as determined by the Authority, to the occupants of heat, water, electricity, gas, cooking range, and other necessary services or facilities, whether or not the charge for such services and facilities is in fact included in the rental. Every Authority shall file a schedule of its rental charges for dwelling accommodations with the State Planning Board.

Nothing contained in this or the preceding section shall be construed as limiting the power of an Authority to vest in an obligee the right, in the event of a default by the Authority, to take possession of a housing project, or cause the appointment of a receiver thereof, or acquire title thereto through foreclosure proceedings, free from all the restrictions imposed by this or the preceding section.

(13 amended Oct. 27, 2014, P.L.2903, No.188)

Section 13.1. Requirements Regarding Tenants and Landlords in Cities of the First Class.--(a) An Authority of a city of the first class shall take such measures as are necessary to ensure compliance with all requirements imposed on the Authority by Federal law regarding criminal activity by tenants and prospective tenants, including, but not limited to, all requirements regarding background checks.

(b) (1) An Authority of a city of the first class shall not approve or renew any person or firm as a landlord in the Housing Choice Voucher Program established pursuant to 24 CFR Pt. 982 (relating to section 8 tenant based assistance: housing choice voucher program) if such person or firm is delinquent on any property tax due with respect to the property for which approval or renewal is sought.

(2) For purposes of this subsection, a person or firm that is current on a payment agreement with the taxing authority for the property tax delinquency shall not be considered delinquent with respect to the outstanding property tax liability covered by such agreement, but a person or firm that is in breach of such agreement shall be considered delinquent.

(13.1 added July 5, 2012, P.L.1093, No.130)

Section 13.2. Veteran Preferences.--(a) In selecting a tenant under section 13, an authority shall provide a preference for any active duty United States servicemember or veteran. The preference shall extend to:

(1) The household of which the servicemember or veteran is a member.

(2) The surviving household members of a deceased servicemember or veteran who died of service-connected causes, provided:

(i) The death occurred during active duty service or within five years of discharge from service.

(ii) The death occurred not more than five years from the date of application for housing.

(b) The preference established by this section shall be cumulative with any other preference allowed by the housing authority for which the applicant qualifies, so that servicemembers or veterans have priority over nonservicemembers and nonveterans within each preference category.

(c) Nothing in this section shall be construed to supersede:

(1) Any Federal law or regulation relating to or local preferences adopted pursuant to Federal law.

(2) Any Federal law or regulation concerning tenant eligibility and selection or local criteria adopted pursuant to Federal law.

(13.2 added Oct. 27, 2014, P.L.2903, No.188)

Section 13.3. Relocation.--(a) A tenant who is a victim of domestic or sexual violence may request relocation under this section if the tenant expressly requests an emergency transfer and:

(1) the tenant or an affiliated individual experienced domestic or sexual violence on or near the premises within ninety (90) calendar days of the request; or

(2) the tenant reasonably believes that the tenant or an affiliated individual is threatened with imminent harm of domestic or sexual violence if the tenant or affiliated individual remains on the premises.

(b) An authority shall make a good faith effort, in consultation with a tenant seeking relocation, to reasonably relocate the tenant to a safe and suitable dwelling under the control of the authority or another authority.

(c) A tenant seeking relocation may submit to an authority a request for any of the following:

(1) Relocation from the tenant's existing dwelling unit to another dwelling unit under the control of the authority.

(2) Receipt of a housing choice voucher.

(3) Assistance with identifying other housing providers which may have safe and available dwelling units.

(4) Assistance with contacting local organizations offering assistance to victims of domestic or sexual violence.

(d) Each authority shall review and determine a request submitted under this section within five (5) business days of receipt of a completed request.

(e) If an authority finds that the tenant qualifies for relocation or related assistance under this section, the

authority shall take any of the following steps, subject to availability:

(1) relocate the tenant making the request to another dwelling unit under the control of the authority or another authority;

(2) provide the tenant with a housing choice voucher;

(3) assist the tenant with identifying other housing providers which may have safe and available dwelling units; or

(4) assist the tenant with contacting local organizations offering assistance to victims of domestic or sexual violence.

(f) A tenant may establish sufficient proof of domestic or sexual violence to qualify for relocation under this section through any of the following:

(1) A current order of protection under 23 Pa.C.S. Ch. 61 (relating to protection from abuse) or 42 Pa.C.S. Ch. 62A (relating to protection of victims of sexual violence or intimidation) on behalf of the tenant or an affiliated individual.

(2) Police reports, medical records or court documents relating to the tenant's or an affiliated individual's victimization as a result of domestic or sexual violence.

(3) A certification of abuse as provided in subsection (g).

(4) Any other evidence of the conviction or other adjudication of guilt for domestic or sexual violence committed against the tenant or an affiliated individual.

(g) If an authority receives no conflicting information regarding domestic or sexual violence, an authority may request a tenant seeking relocation under this section to submit a certification to the authority that includes the following:

(1) The tenant's name.

(2) The address of the tenant's dwelling unit.

(3) A statement that the tenant or an affiliated individual is a victim of domestic or sexual violence.

(4) A statement of the incident of domestic or sexual violence.

(5) If known and safe to provide, the name of the perpetrator who committed the domestic or sexual violence.

(6) The proposed date for the termination of the lease or the release of the tenant from the lease.

(h) If an authority receives conflicting information regarding domestic or sexual violence, an authority may request a written verification signed by an attesting third party that includes the following:

(1) The tenant's name.

(2) The address of the tenant's dwelling unit.

(3) The approximate dates during which the domestic or sexual violence occurred, including the most recent date.

(4) The name, address and telephone number of the attesting third party. The authority may waive the inclusion of any part of this information it determines would unreasonably risk the safety of the tenant or an affiliated individual.

(5) The capacity in which the attesting third party received the information regarding the domestic or sexual violence.

(6) A statement that the attesting third party:

(i) has been advised by the tenant or an affiliated individual that the tenant or an affiliated individual is a victim of domestic or sexual violence;

(ii) considers the tenant's certification to be credible;

(iii) understands that the verification may be used as the basis for releasing the tenant from a lease; and

(iv) understands that the statement may be used in court in proceedings related to this section.

(i) If the domestic or sexual violence did not occur on the premises within ninety (90) calendar days of the date of the request for relocation, documentation under this section submitted by a tenant must include a statement that the tenant reasonably believes the tenant or an affiliated individual is threatened with imminent harm from further domestic or sexual violence if not relocated from the current dwelling unit.

(j) Statements made within a tenant's certification or an attesting third party's verification may be used in court in proceedings related to this section and shall be made under penalty of perjury.

(k) The following shall apply regarding confidentiality and permitted disclosure:

(1) All information submitted to an authority by a tenant seeking relocation under section shall be confidential and shall not be subject to disclosure except as ordered by a court of competent jurisdiction or otherwise provided in this section.

(2) An authority may disclose the new address of a relocated tenant only to the extent the tenant provides specific time-limited consent to the disclosure in writing.

(3) An authority may not allow an employe or agent of the authority to access confidential information under this section unless explicitly authorized by the authority for reasons that specifically call for the employe or agent to access the confidential information under applicable Federal or State law.

(1) If a tenant complies with this section, an authority may not assess a fee or other penalty against the tenant solely for exercising a right granted under this section or other law.

(m) A tenant may seek to enforce the tenant's rights under this section using an available remedy provided by Federal or State law.

(n) As used in this section, the following words and phrases shall have the meanings given to them in this subsection:

"Affiliated individual." As defined by 34 U.S.C. § 12491(a)(1) (relating to housing protections for victims of domestic violence, dating violence, sexual assault, and stalking).

"Attesting third party." Any of the following:

(1) A law enforcement official.

(2) A licensed health care professional.

(3) A victim advocate as defined by 34 U.S.C. § 12291(a)(41) (relating to definitions and grant provisions).

(4) A victim assistant as defined by 34 U.S.C. § 12291(a)(42).

(5) A victim service provider as defined by 34 U.S.C. § 12291(a)(43) or a provider of victim services as defined by 34 U.S.C. § 12291(a)(44).

"Completed request." A request including or supplemented with information which the authority requires to determine the tenant's eligibility for relocation assistance under this section.

"Domestic or sexual violence." Any of the following:

(1) Conduct against a family or household member that constitutes an offense under any of the following:

(i) 18 Pa.C.S. § 2504 (relating to involuntary manslaughter).

(ii) 18 Pa.C.S. § 2701 (relating to simple assault).

(iii) 18 Pa.C.S. § 2702(a)(3), (4) or (5) (relating to aggravated assault).

(iv) 18 Pa.C.S. § 2705 (relating to recklessly endangering another person).

(v) 18 Pa.C.S. § 2706 (relating to terroristic threats).

(vi) 18 Pa.C.S. § 2709.1 (relating to stalking).

(vii) 18 Pa.C.S. § 3124.1 (relating to sexual assault).

For the purpose of this paragraph, the term "family or household member" shall have the same meaning as in 23 Pa.C.S. § 6102 (relating to definitions).

(2) Conduct that constitutes abuse as defined in 23 Pa.C.S. § 6102.

(3) Conduct that constitutes sexual violence as defined in 42 Pa.C.S. § 62A03 (relating to definitions).

(4) Dating violence, as defined in section 1553(f) of the act of March 10, 1949 (P.L.30, No.14), known as the "Public School Code of 1949."

"Premises." A dwelling and the structure of which it is a part. The term includes the exterior or interior areas:

(1) associated with the structure that are excluded from the dwelling unit, including the fixtures, facilities and appurtenances; and

(2) held out for the use of tenants generally or the use of which is promised to the tenants.

(13.3 added Oct. 24, 2018, P.L.914, No.148)

Section 14. Cooperation Between Authorities.--Any two or more authorities may cooperate in the exercise of any of the powers conferred in this act. For the purpose of financing, planning, constructing or operating a housing project or projects jointly, when such is deemed necessary to the effectuation of the purposes of this act, two or more authorities may set up a joint committee to have charge of such financing, planning, construction or operation. Each of the cooperating authorities shall appoint two of its own members to serve on such joint committee, and the State Planning Board shall designate an additional member upon being notified by the authorities of their desire to cooperate in preparing and carrying on a project. The cooperating authorities shall draw up a satisfactory plan of cooperation which must be approved by the State Planning Board prior to the commencement of any activity on such joint project.

For the purpose of financing their respective projects (including the issuance of bonds, notes or other obligations and giving security therefor), any authority may join or cooperate with any other authority or authorities and, by resolution, prescribe and authorize any other housing authority or authorities so joining or cooperating with it or them to act on its or their behalf as agent or otherwise in the name of the housing authority or authorities so joining or cooperating or in its own name. (Par added Aug. 8, 1963, P.L.595, No.313)

(14 amended May 20, 1949, P.L.1614, No.486)

Section 14.1. Cooperation with Counties, Cities, Boroughs and Incorporated Towns.--For the purpose of cooperating with and assisting counties, cities, boroughs and incorporated towns, a housing authority may exercise its powers in the territory within the boundaries of any county, city, borough or incorporated town not included in the area in which such housing authority is then authorized to function or in any designated portion of such territory after the governing body of such county, city, borough or incorporated town, as the case may be, adopts a resolution declaring that there is a need for an authority to function in such territory or in such designated portion thereof. If a housing authority has previously been authorized to exercise its powers in such territory or designated portion, such a resolution shall not be adopted unless such housing authority finds that ultimate economy would thereby be promoted, and such housing authority shall not

initiate any housing project in such territory or designated portion after the adoption of such a resolution.

(14.1 added May 26, 1943, P.L.658, No.290)

Section 15. Eminent Domain.--Title to any property acquired by an Authority through eminent domain shall be an absolute or fee simple title, unless a lesser title shall be designated in the eminent domain proceedings. The Authority may exercise the right of eminent domain in the manner provided by law for the exercise of such right by cities or counties, as the case may be, of the same class as the city or county in which such Authority is organized to operate.

Section 16. Planning, Zoning, and Building Laws.--Each housing project of an Authority shall be subject to the zoning, sanitary, and building laws, ordinances or regulations applicable to the locality in which the project is situated. In the planning and location of any housing project, an Authority shall take into consideration the relationship of the project to any larger plan or long-range program for the development of the area in which the housing authority functions.

Section 17. Bonds of an Authority.--An Authority shall have power to issue bonds for any of its corporate purposes. An Authority may issue such types of bonds as it may determine, including bonds on which the principal and interest are payable--(a) exclusively from the income and revenues of the housing project financed with the proceeds of such bonds, or with such proceeds together with a grant from the Federal or State Government in aid of such project; (b) exclusively from the income and revenues of certain designated housing projects, whether or not they were financed, in whole or in part, with the proceeds of such bonds; or (c) from its revenues generally. Any such bonds may be additionally secured by a pledge of any revenues, including grants or contributions from the Federal or State Government or any agency and instrumentality thereof, or a mortgage of any housing project, projects or other property of the Authority.

The bonds issued by an Authority are hereby declared to have all the qualities of negotiable instruments under the law merchant and the negotiable instruments law of the Commonwealth of Pennsylvania.

If the bonds of an Authority created under the provisions of this act are secured by pledge of annual contributions or capital grants to be made by the United States Government, the Commonwealth of Pennsylvania, or any agency or instrumentality thereof, such bonds and the income therefrom shall, at all times, be free from taxation for State or local purposes under any law of this Commonwealth.

Neither the members of the Authority nor any person executing the bonds shall be liable personally on any such bonds by reason of the issuance thereof. Such bonds or other obligations of an Authority shall not be a debt of any city, county, municipal subdivision or of the Commonwealth, and shall so state on their face, nor shall any city, county, municipal subdivision or the Commonwealth, nor any revenues or any property of any city, county, municipal subdivision or of the Commonwealth be liable therefor.

(17 amended May 20, 1949, P.L.1614, No.486)

Section 18. Form and Sale of Bonds.--The bonds of an Authority shall be authorized by its resolution, shall be issued in one or more series, and shall bear such date or dates, mature at such time or times, and bear interest at such rate or rates, not exceeding six per centum (6%) per annum, payable

semiannually, be in such denominations, be in such form, either coupon or registered, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption, and carry such registration privileges as may be provided in such resolution or in any trust indenture or mortgage properly made in pursuance thereof.

The bonds of an Authority may be sold at not less than par and accrued interest. In case any of the officers of an Authority, whose signatures appear on any bonds or coupons, shall cease to be officers before the delivery of such bonds, their signatures shall nevertheless be valid and sufficient for all purposes the same as if such officers had remained in office until such delivery.

The Authority shall have the power, out of any funds available therefor, to purchase any bonds issued by it at a price not more than the par value thereof, plus accrued interest: Provided, however, That bonds payable exclusively from the revenues of a designated project or projects shall be purchased only out of any such revenues available therefrom. All bonds so purchased shall be cancelled. This paragraph shall not apply to the redemption of bonds.

Any bond reciting in substance that it has been issued by an Authority to aid in financing a housing project to accomplish the public purposes of this act, shall be conclusively deemed in any suit, action or proceeding, involving the validity or enforceability of such bond or security therefor, to have been issued for such purpose.

(18 amended Oct. 5, 1967, P.L.335, No.144)

Section 19. Provisions of Bonds, Trust Indentures, and Mortgages.--In connection with the issuance of bonds or the incurring of obligations under leases, and in order to secure the payment of such bonds or obligations, an Authority, in addition to its other powers, shall have power--

(a) To pledge all or any part of its gross or net rents, fees or revenues to which its right then exists, or may thereafter come into existence.

(b) To mortgage all or any part of its real or personal property then owned or thereafter acquired.

(c) To covenant against pledging all or any part of its rents, fees, and revenues, or against mortgaging all or any part of its real or personal property to which its right or title exists, or may thereafter come into existence, or against permitting or suffering any lien on such revenues or property; to covenant with respect to limitations on its right to sell, lease, or otherwise dispose of, any housing project, or any part thereof; and to covenant as to what other or additional debts or obligations may be incurred by it.

(d) To covenant as to the bonds to be issued and as to the issuance of such bonds in escrow, or otherwise, and as to the use and disposition of the proceeds thereof; to provide for the replacement of lost, destroyed or mutilated bonds; to covenant against extending the time for the payment of its bonds or interests thereon and to redeem the bonds; and to covenant for their redemption, and to provide the terms and conditions thereof.

(e) To covenant, subject to the limitations contained in this act, as to the rents and fees to be charged in the operation of a housing project or projects, and the amount to be raised each year or other period of time by rents, fees, and other revenues, as well as to the use and disposition to be made thereof; to create or to authorize the creation of special funds for moneys held for construction or operating costs, debt

service reserves or other purposes; and to covenant as to the use and disposition of the moneys held in such funds.

(f) To prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds, the holders of which must consent thereto, and the manner in which such consent may be given.

(g) To covenant as to the use of any or all of its real or personal property; to warrant its title; and to covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon, and the use and disposition of insurance moneys.

(h) To covenant as to the rights, liabilities, powers, and duties arising upon the breach by it of any covenant, condition or obligation; and to covenant and prescribe as to events of default, and terms and conditions upon which any or all of its bonds or obligations shall become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived.

(i) To vest in a trustee or trustees or the holders of bonds, or any proportion of them, the right to enforce the payment of the bonds, or any covenants securing or relating to the bonds; to vest in a trustee or trustees the right, in the event of a default by said Authority, to take possession and use, operate, and manage any housing project, or part thereof, and to collect the rents and revenues arising therefrom, and to dispose of such moneys in accordance with the agreement of the Authority with said trustee; to provide for the powers and duties of a trustee or trustees, and to limit liabilities thereof; and to provide the terms and conditions upon which the trustee or trustees or the holders of bonds, or any proportion of them, may enforce any covenant or rights securing or relating to the bonds.

(j) To exercise all or any part or combination of the powers herein granted; to make covenants other than, and in addition to, the covenants herein expressly authorized; to make such covenants, and to do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds, or, in the absolute discretion of said Authority, as will tend to accomplish the purposes of this act by making the bonds more marketable, notwithstanding that such covenants, acts or things may not be enumerated herein.

Section 20. Remedies of an Obligee of Authority.--An obligee of an Authority shall have the right, in addition to all other rights which may be conferred on such obligee, subject only to any contractual restrictions binding upon such obligee--

(a) By mandamus, suit, action or proceeding at law or in equity to compel said Authority, and the members, officers, agents, or employes thereof, to perform each and every term, provision, and covenant contained in any contract of said Authority with, or for the benefit of, such obligee, and to require the carrying out of any or all such covenants and agreements of said Authority, and the fulfillment of all duties imposed upon said Authority by this act.

(b) By proceeding in equity to obtain an injunction against any acts or things which may be unlawful, or the violation of any of the rights of such obligee of said Authority.

Section 21. Additional Remedies Conferable by Authority.--An Authority shall have power by its resolution, trust indenture, mortgage, lease or other contract to confer upon any obligee or obligees, holding or representing a specified percentage in bonds or holding a lease, the right, in addition to all rights that may otherwise be conferred, upon

the happening of an event of default, as defined in such resolution or instrument, by suit, action or proceeding in any court of competent jurisdiction.

(a) To obtain the appointment of a receiver of any housing project of said Authority, or any part thereof, and of the rents and profits therefrom. If such receiver be appointed, he may enter and take possession of such housing project, or any part thereof, and operate and maintain same, and collect and receive all fees, rents, revenues or other charges thereafter arising therefrom, and shall keep such moneys in a separate account or accounts, and apply the same in accordance with the obligations of said Authority as the court shall direct.

(b) To require said Authority, and the members thereof, to account as if it and they were the trustees of an express trust.

Section 22. Aid from Federal Government.--In addition to the powers conferred upon an Authority by other provisions of this act, an Authority is empowered to borrow money or accept grants or other financial assistance from the Federal Government for, or in aid of, any housing project within its area of operation, to take over or lease or manage any housing project or undertaking constructed or owned by the Federal Government, and to these ends to comply with such conditions, and enter into such mortgages, trust indentures, leases or agreements as may be necessary, convenient or desirable. It is the purpose and intent of this act to authorize every Authority to do any and all things necessary or desirable to secure the financial aid or cooperation of the Federal Government in the undertaking, construction, maintenance or operation of any housing project by such Authority: Provided, That upon completion of an application of an Authority for financial assistance of the Federal Government in connection with a housing project, the Authority shall file with the Department of Community Affairs a report describing the project, including but not limited to the location and type of the project, the number of dwelling units in the project, the size of the individual dwelling units expressed in number of bedrooms, the number of dwelling units of the various sizes, the number of dwelling units proposed for the elderly, and the character of any commercial or community facilities included in the project.

(22 amended Oct. 19, 1967, P.L.461, No.218)

Section 22.1. Aid from State Government.--In addition to the powers conferred upon an Authority by other provisions of this act, an Authority is empowered to act as agent of the State, or any of its instrumentalities or agencies, for the public purposes set out in this act.

Further to effectuate the purposes and provisions of this act, and in a manner requisite therefor, an Authority is empowered to receive, accept or borrow any and all funds appropriated, given, granted, loaned or donated to it, and to receive and accept any real estate and appurtenances thereto given, granted or donated to it by the State or any of its instrumentalities.

(22.1 added June 5, 1947, P.L.449, No.203)

Section 23. Tax Exemption and Payments in Lieu of Taxes.--The property of an Authority is declared to be public property used for essential public and governmental purposes and such property and an Authority shall be exempt from all taxes and special assessments, except school taxes, of the city, the county, the Commonwealth, or any political subdivision thereof: Provided, however, That, in lieu of such taxes or special assessments, an Authority may agree to make payments to the city or the county, or any such political subdivision,

for improvements, services, and facilities by such city, county or political subdivision for the benefit of a housing project or the persons residing on or occupying such premises, but in no event shall such payments exceed the estimated cost to such city, county or political subdivision of the improvements, services or facilities to be so furnished.

Section 24. Reports.--In addition to any other material which an Authority must file with the Department of Community Affairs according to the provisions of this act, it shall file with said department--

(a) A copy of any rules, regulations or resolutions, and amendments thereto, adopted by it from time to time.

(b) At least once each year, a report of its activities for the preceding year, and such other reports as said department may require.

((c) deleted Oct. 19, 1967, P.L.461, No.218)

(24 amended Oct. 19, 1967, P.L.461, No.218)

Section 24.1. Reporting by Authorities in Cities of the First Class.--Any Authority in a city of the first class shall, annually, no later than thirty (30) days after the end of the fiscal year of the Authority, submit a comprehensive written report to the Secretary of Community and Economic Development, the Majority and Minority Leaders of the Senate, the chair and minority chair of the Committee on Urban Affairs and Housing of the Senate, the Majority and Minority Leaders of the House of Representatives, the chair and minority chair of the Committee on Urban Affairs of the House of Representatives, the Mayor and the President of Council regarding the Authority's operations, administration, management, finances, legal affairs, housing production and development and other relevant activities. The report shall be produced and approved by the members and the executive director of the Authority.

(24.1 added July 5, 2012, P.L.1093, No.130)

Section 25. Severability.--If any one or more sections, clauses, sentences or parts of this act shall for any reason be adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions thereof, but shall be confined in its operation to the specific provisions so held unconstitutional or invalid, and the inapplicability or invalidity of any section, clause or provision of this act, in any one or more instances or circumstances, shall not be taken to affect or prejudice in any way its applicability or validity in any other instance.