

HOUSING AUTHORITIES LAW - POWERS OF AUTHORITY AND MIXED-USE PROJECTS  
Act of Nov. 9, 2006, P.L. 1355, No. 145 Cl. 64  
Session of 2006  
No. 2006-145

HB 2667

AN ACT

Amending the act of May 28, 1937 (P.L.955, No.265), entitled, as amended, "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," providing for the definition of "mixed-use projects"; further providing for powers of the authority; and providing for mixed-use projects.

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

Section 1. Section 3 of the act of May 28, 1937 (P.L.955, No.265), known as the Housing Authorities Law, is amended by adding a clause to read:

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:

\* \* \*

**(1.1) "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.**

\* \* \*

Section 2. Section 10 of the act is amended by adding a clause to read:

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:

\* \* \*

(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 Employee 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 Employee 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 employee 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 employee may be summarily dismissed by the Authority, and the agreement terminated at any time. Under no circumstances shall the mayor or any individual employee, 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.

Section 3. The act is amended by adding a section to read:

**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.

Section 4. This act shall take effect in 60 days.

APPROVED--The 9th day of November, A. D. 2006.

EDWARD G. RENDELL