

BY-LAWS
OF
THE HOUSING AUTHORITY OF THE CITY
OF COLUMBIA, SOUTH CAROLINA

ARTICLE I

THE AUTHORITY

Section 1. Name of Authority. The name of the Authority is "The Housing Authority of the City of Columbia, South Carolina."

Section 2. Creation. The Authority is a municipal corporation created under S.C. Code Ann. §31-3-310 et seq. by the adoption on April 10, 1934 of a Resolution by the City of Columbia, South Carolina declaring the need for such an authority to function in the City.

Section 3. Seal of Authority. The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority and the year of its organization.

Section 4. Governing Board. The Authority shall be governed by its Board of Commissioners.

Section 5. Office of Authority. The offices of the Authority shall be at 1917 Harden Street, in the City of Columbia, South Carolina, but the Authority may have offices at such other place or places as the Authority may from time to time designate by resolution of its Board of Commissioners.

ARTICLE II

BOARD COMPOSITION / LIABILITY INSURANCE

Section 1. S.C. Code of Laws Ann. § 31-3-340 was amended in 1994 to provide for the appointment of two additional commissioners where the Authority exercises extraterritorial jurisdiction. The Authority was granted extraterritorial jurisdiction in the unincorporated areas of Richland County on April 8, 1976, upon obtaining the necessary governmental authorization from the State Development Board. The Authority Board therefore shall consist of seven commissioners (two of them shall be residents in the extraterritorial area served by the Authority).

Section 2. The Secretary-Treasurer shall file the certificate of appointment of any new commissioner in the following offices: (1) Richland County Clerk of Court; (2) the South Carolina Secretary of State; and (3) the Director of the Department of Commerce.

Section 3. Errors and omissions for public officials liability insurance shall be obtained by the Authority to provide insurance protection as may be available from commercial insurers at such cost and in such amounts of coverage as the Board of Commissioners may elect to procure from time to time.

ARTICLE III

COMMISSIONER COMPENSATION FORBIDDEN

S.C. Code Ann. § 31-3-350 governs and provides that:

No commissioner shall receive any compensation, whether in the form of salary, per diem allowances or otherwise, for or in connection with his services as such commissioner. Each commissioner shall, however, be entitled to reimbursement, to the extent of appropriations or other funds

available therefor, for any necessary expenditures in connection with the performance of his general duties or in conjunction with the construction or operation of any project. The Authority may allocate such expenses among its projects in such manner as it may consider proper.

ARTICLE IV

REMOVAL OF COMMISSIONERS

S.C. Code Ann. § 31-3-370 (as amended) governs and provides that:

" ... for inefficiency, neglect of duty, or misconduct in office a commissioner of an authority may be removed by the council, but a commissioner may be removed only after he has been given a copy of the charges at least ten days before the hearing on it and had an opportunity to be heard in person or by counsel. In the event of the removal of any commissioner, a record of the proceedings, together with the charges and findings on it, must be filed in the Office of the Clerk of the Circuit court of the county in which the city is located, in the office of the Secretary of State, and in the office of the Secretary of Commerce."

ARTICLE V

CONFLICT OF INTEREST PROHIBITION

S.C. Code Ann. § 31-3-360 governs and provides that:

No commissioner or employee of an authority shall acquire any interest, direct or indirect, in any 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 project. If any member or employee of any authority owns or controls an interest, direct or indirect, in any property included in any project, which was acquired prior to his appointment or employment, he shall disclose such interest in writing to the authority and such disclosure shall be entered upon the minutes of the authority.

Any such conflict of interest may also require the Authority to obtain a written waiver from HUD under the Annual Contributions Contract and applicable regulations.

ARTICLE VII

OFFICERS / ADMINISTRATOR / PERSONNEL

Section 1. Officers. The officers of the Authority shall be a Chairperson, Chairperson-elect (or "Vice Chairperson"), and Secretary-Treasurer.

(a) Chairperson. The Chairperson shall preside at all meetings of the Board of Commissioners of the Authority. Except as otherwise authorized by resolution of the Board of Commissioners of the Authority, the Chairperson (or his designee in writing) shall sign all contracts, deeds and other instruments made by the Authority. At each meeting, the Chairperson shall submit such recommendations and information as he/she may consider proper concerning the business, affairs and policies of the Authority.

(b) Chairperson-elect. The Chairperson-elect shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson; and in case of the end of the Chairperson's term of office or the resignation or death of the Chairperson, the Chairperson-elect shall automatically assume the duties and shall become the new Chairperson. The Board of Commissioners of the Authority shall then appoint a new Chairperson-elect.

(c) Secretary-Treasurer. The Secretary-Treasurer shall keep the records of the Authority, shall act as secretary of the meetings of the Board of Commissioners of the Authority and record all votes, and shall keep a record of the proceedings of the Board of Commissioners in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to that office. The Secretary-Treasurer shall keep in safe custody the seal of the Authority and shall have power to affix such seal to all contracts

and instruments authorized to be executed by the Board of Commissioners of the Authority.

The Secretary-Treasurer shall have the care and custody of all funds of the Authority and shall deposit the same in the name of the Authority in such bank or banks as the Board of Commissioners may select. The Secretary-Treasurer shall sign all orders and checks for the payment of money and shall pay out and disburse such monies under the direction of said Board of Commissioners. Except as otherwise authorized by resolution of said Board of Commissioners, all such orders and checks shall be countersigned by the Chairperson (or his designee in writing). The Secretary-Treasurer shall keep regular books of accounts showing receipts and expenditures and shall render to the Board of Commissioners (when requested), an account of all financial transactions and the financial condition of the Authority. The Secretary-Treasurer shall give such bond for the faithful performance of his/her duties as the said Board of Commissioners may determine.

The compensation of the Secretary-Treasurer, if any, shall be determined by the Board of Commissioners of the Authority, provided that a temporary appointee selected from among the Commissioners of the Authority shall serve without compensation (other than the payment of necessary expenses).

Section 2. Election or Appointment. The Chairperson and Chairperson-elect shall be elected at the annual meeting of the said Board of Commissioners from among the Commissioners of the Authority, and shall hold office for one year (unless extended by the Board) or until their successors are elected and qualified.

The Secretary-Treasurer shall be appointed by the Board of Commissioners. Any person appointed to fill the office of Secretary-Treasurer, or any vacancy therein, shall have such term as the Board of Commissioners fixes, but no Commissioner of the Authority shall be eligible to this office except as a temporary appointee.

Section 3. Vacancies. Should the office of Chairperson become vacant, the Chairperson-elect shall succeed to that office, as aforesaid. Should the office of Chairperson-elect become vacant, the Board of Commissioners shall elect a successor from its membership at the next regular meeting, and such election shall be for the unexpired term of said office. When the office of Secretary-Treasurer becomes vacant, the Board of Commissioners shall appoint a successor, as aforesaid.

Section 4. Administrator. An Administrator (a/k/a the "Executive Director") of the Authority shall be appointed (employed) by the Board of Commissioners, who shall have general supervision over the administration of the business and affairs of the Board of Commissioners of the Authority, subject to the direction of the Board of Commissioners. The Administrator shall be charged with the management of the housing projects of the Authority and shall serve (unless the Board of Commissioners directs otherwise by resolution) in the dual capacity of Secretary-Treasurer without added compensation.

Section 5. Additional Personnel. The Authority may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by the Housing Authoritys Law of South Carolina, as amended, and all other laws of the State of South Carolina applicable thereto. The selection and compensation

of such personnel shall be determined by the Board of Commissioners or its designee subject to the laws of the State of South Carolina.

Section 6. Additional Duties. The officers of the Authority shall perform such other duties and functions as may from time to time be required by the Board of Commissioners of the Authority or the By-Laws or rules and regulations of the Authority.

Section 7. Standing Committees. There shall be three (3) standing Committees of the Commissioners, as follows:

- (a) Executive Committee. The Executive Committee shall consist of not less than three (3) members (one of such members being the Chairperson of the Board of Commissioners) appointed at the Annual Meeting each year by the Chairperson. The Chairperson of the Board of Commissioners shall automatically serve as Chairperson of the Executive Committee. The Executive Committee, during the interim between meetings of the Board of Commissioners, shall have all the powers of the full Board of the Commissioners not inconsistent with the established policies of the Board of Commissioners or with any action theretofore taken by the Board of Commissioners. It shall make reports to the said Board of Commissioners at each meeting on all matters on which any action has been taken.
- (b) The Committee on Finance. The Committee on Finance shall consist of not less than three (3) members appointed at the Annual Meeting each year by the Chairperson. The Chairperson of the Board of Commissioners shall likewise appoint the Chairperson of the Committee on Finance. This Committee shall be charged with the general supervision of the finances of the Housing Authority; shall review in advance revised budgets for the current year and proposed budgets for the succeeding year; and shall review, in advance, any other financial matters of concern to the Board of Commissioners. It shall report to the Board of Commissioners, with its recommendations in writing thereon for approval or disapproval of all matters relating to its assigned functions.
- (c) The Committee on Human Services. The Committee on Human Services shall be charged with all matters relating to human services

and residents initiatives. This committee shall report to the Board of Commissioners. The Chairman shall be appointed by the Chairperson.

The Chairperson of the Board of Commissioners is authorized to appoint an alternate member(s) to any Committee where the regular member of the Committee is unable to attend a meeting of said Committee.

ARTICLE VII

BOOKS AND RECORDS

S.C. Code Ann. § 31-3-600 states "the Authority shall keep its books and records in such forms as may be prescribed by, or as shall be satisfactory to the mayor and such books and records shall be open for inspection at any hour during any business day by any representative of the mayor or council. The accounts of the Authority shall be kept in such manner that they shall show at all times the income from and all sums chargeable against each project."

"The Authority shall on or before January thirty-first in each year make a report to the mayor and the council, in such form and setting forth such information with respect to its financial condition and its activities during the preceding calendar year and during the entire period from its creation as the mayor or the council shall require" and the Authority "shall make such further reports as may from time to time be required by the mayor or the council."

ARTICLE VIII

MEETINGS

Section 1. The Annual Meeting of the Board of Commissioners of the Authority shall be held after the regular January meeting in each calendar year at the regular meeting place of the Authority, unless the said Board of Commissioners vote to modify this schedule.

Section 2. Regular meetings will be held on the third Thursday of each month, commencing at 4:30 p.m. (or at such other time as may be designated by the Board of Commissioners), at such places as from time to time be determined by resolution of the Board of Commissioners.

Section 3. Special Meetings. The Chairperson of the Board of Commissioners may, when expedient, and shall upon written request of two Commissioners of the Authority, call a special meeting of the Board for the purpose of transacting any business designated in the call. The call for a special meeting may be communicated to each Board member by telephone, verbally or may be mailed to the home or business address of each Board member so that each Board member shall receive the call for meeting prior to the time set for such special meeting. At such special meeting, no business shall be considered other than as designated in the call, but if all Board members of the Authority are present at a special meeting, or if all Board members have signified their consent thereto in writing, any and all business may be transacted at such special meeting. Appropriate public notices of all meetings shall be posted as may be required by law.

Section 4. Quorum. At all meetings of the Board of Commissioners, four (4) Board members shall constitute a quorum for the purpose of transacting most business, providing that a smaller number may meet and adjourn to some other time or until a quorum is obtained.

Section 5. Order of Business. At the regular meetings of the Board of Commissioners, the following shall be the order of business:

1. Roll Call
2. Reading and approval of the Minutes of the previous meeting
3. Bills and communications
4. Report of the Secretary-Treasurer
5. Reports of Committees
6. Unfinished business
7. New business
8. Adjournment.

All Resolutions shall be in writing and shall be copied in a journal of the proceedings of the Board of Commissioners.

Section 6. Manner of Voting. The voting on all questions coming before the Board of Commissioners shall be by voice vote, and the yeas and nays shall be entered upon the Minutes of such meeting, unless the Board of Commissioners shall determine a roll call vote is desirable.

ARTICLE IX

MANAGEMENT AND OPERATION OF HOUSING PROJECTS

S.C. Code Ann. § 31-3-50 governs and provides that as a public policy of the State that the Authority:

... shall manage and operate its housing projects in an efficient manner so as to enable it to fix the rentals for dwelling accommodations at the lowest possible rates consistent with providing decent, safe and sanitary dwelling accommodations.

ARTICLE X

RENTAL AND TENANT SELECTIONS

In the operation or management of its housing projects, the Authority shall at all times observe the following duties prescribed by S.C. Code Ann. § 31-3-540 with respect to rentals and tenant selection:

- (1) It may rent or lease the dwelling accommodations in the projects only to persons of low income or to persons of moderate to low income and at rentals within the financial reach of such persons;
- (2) It may rent or lease to a tenant dwelling accommodations consisting of the number of rooms, but no greater number, which it considers necessary to provide safe and sanitary accommodations to the proposed occupants of the accommodations without overcrowding."

Also, in accordance with S.C. Code Ann. § 31-3-545, the Authority "shall provide for procedures whereby tenants of its property may pay their required rent in various reasonable ways, including but not limited to, payment by personal delivery or by mail.

ARTICLE XI

DISPOSITION OF SURPLUS REAL PROPERTY

S.C. Code Ann. § 31-3-500 governs and states that:

Whenever the Board of Commissioners of the Authority determines that real property acquired for its public purposes has become surplus to its needs, the Board "may so declare by resolution" and "proceed to sell such real estate at public sale, provided that each such sale shall be with the prior approval of the council of the city" and provided further that such approval by such council shall be given only after a public hearing on the proposed sale.

ARTICLE XII

AMENDMENT OF BY-LAWS

Section 1. The By-Laws of the Authority shall be amended only with the approval of a majority of the Board of Commissioners of the Authority at a regular or special meeting, but no such amendment shall be adopted unless at least seven days written notice thereof has been previously given to all Board members. Only those portions of the By-laws not dictated by statute shall be subject to amendment by Board action. In the event the statutory provisions of the By-Laws are amended in the future by the Legislature, those amendments shall be deemed automatically incorporated herein.

ARTICLE XIII

DISSOLUTION

The Authority is designated by statute as a municipal corporation. The dissolution of a municipal corporation is a legislative function of its creator. S.C. Code Ann. § 5-7-260 provides that a municipal council is required to adopt an ordinance to "alter or abolish

any municipal department, office, or agency" or to "repeal any ordinance" (creating a municipal department, office, agency or franchise). The City Council of the City of Columbia, South Carolina is the likely legislative entity to enact any ordinance to dissolve the Authority. Any dissolution of the Authority will be subject to all the rights of the Department of Housing and Urban Development under any HUD/PHA Annual Contributions Contract and under any Declaration of Trust between the Authority and HUD, the rights of its bondholders, and the rights of its other lawful creditors.