
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 18

Session of
1975

INTRODUCED BY WORRILOW, MEBUS, ZEARFOSS, WRIGHT, CESSAR,
D. S. HAYES, McCLATCHY AND POLITE, JANUARY 20, 1975

REFERRED TO COMMITTEE ON BUSINESS AND COMMERCE,
JANUARY 20, 1975

AN ACT

1 Providing authority for urban homesteading and the mechanics for
2 establishing homesteading districts; expanding local
3 government's authority in dealing with urban blight and
4 decay; and providing exclusions from present statutory laws.

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

7 Section 1. Short Title.--This act shall be known and may be
8 cited as the "Urban Homesteading and Rehabilitation Act."

9 Section 2. Legislative Intent.--The General Assembly of the
10 Commonwealth of Pennsylvania hereby recognizes the need for
11 strengthening the authority of local government in dealing with
12 the problems of urban blight and decay and the desirability of
13 dealing with these problems at the local level rather than from
14 the remote offices of the Federal and State Government, and
15 recognizes that present urban renewal and redevelopment projects
16 do not and cannot answer the specific problems of each of the
17 various individual municipal areas. While the concept of urban
18 homesteading is being investigated by some in this Commonwealth

1 it is desirable that such programs have some uniformity of
2 purpose and design. For the concept of urban homesteading to
3 work at an optimum level it will be necessary for such programs
4 to be excluded from certain statutory limitations normally
5 placed on local governments.

6 Section 3. Definitions.--When used in this act, the
7 following words and phrases shall have the meanings set forth in
8 this section:

9 "Agency." The Municipal Homestead Agency.

10 "Beneficiary." The designated "homesteader."

11 "Board." The governing body of the homestead agency
12 appointed to administer provisions of this act.

13 "Code official." The director or individual responsible for
14 the supervision of the bureau or department responsible for code
15 enforcement.

16 "Council." The elected body of officials governing the
17 municipality.

18 "Department." The Department of Community Affairs of the
19 Commonwealth.

20 "Governing body." The elected council of the municipality.

21 "Homestead Board." The board created by subsection (b) of
22 section 4 or an authority, board, commission or quasi-
23 governmental nonprofit corporation in existence prior to the
24 effective date of this act to which the council, by ordinance,
25 has assigned the duty to administer the homestead program
26 provided by this act.

27 "Homesteader." An individual, his spouse, or nonprofit
28 corporation conforming to the provisions and intent of this act.

29 "Major code deficiencies." Deficiencies enumerated under
30 section 9.

1 "Municipality." Any political subdivision of the Commonwealth
2 other than a school district.

3 "Parcel." That tract of land which under existing local
4 zoning regulations would accommodate a single family residence.
5 The term "parcel" unmodified by the word "developed" shall
6 include both developed and undeveloped tracts.

7 "Trustee." The board designated by the municipality.

8 Section 4. Urban Homesteading.--(a) There is hereby created
9 the Pennsylvania Urban Homesteading Program to be administered
10 by option of the various municipalities of the Commonwealth
11 meeting certain requirements set forth in this act and upon
12 enactment of the necessary ordinances.

13 (b) The governing body of the municipality is hereby
14 authorized to create and appoint members of a board to be known
15 as the Homestead Board, whose purposes shall be to administer
16 the homestead program. Except where council has assigned
17 homestead program duties to an existing authority, board,
18 commission or quasi-governmental nonprofit corporation, the
19 Homestead Board shall be composed of no less than three, nor
20 more than seven members. Except for the secretary of the board,
21 members of the board shall receive no compensation but shall be
22 reimbursed for expenses actually incurred in connection with
23 performing the duties prescribed by this act and shall by
24 majority vote appoint a secretary of the board, who may or may
25 not be a member of the board. The secretary shall receive such
26 compensation as may be agreed to by the members of the Homestead
27 Board. In addition, the members of the Homestead Board may
28 appoint and fix the compensation of such personnel as may be
29 necessary to implement the homestead program, provided council
30 has made funds available for such purposes.

(c) The board shall be empowered and have the duty and responsibility to:

(1) Review and publicize, by newspaper advertising or some other effective method, the availability of homestead program properties. Such announcement shall include an estimated cost of bringing the aforementioned properties up to municipal code standards.

(2) Accept and review applications and determine the qualifications of applicants within the criteria established by local ordinance and the regulations promulgated thereunder.

(3) Approve and certify applicants with a view toward compatibility of the applicant and the parcel assigned to him.

(4) Approve and recommend the execution by the governing body of a land trust agreement for the assigned parcel with the applicant being approved. The land trust agreement shall be recorded with the appropriate county officials.

(5) Approve and recommend the execution by the governing body of all documents necessary to convey fee simple title to the assigned parcel to the applicant upon the applicant's fulfillment of all conditions enumerated in section 6.

(6) Utilize the aid and assistance of other relevant municipal agencies in the furtherance of the duties and responsibilities of the board.

(7) Promulgate regulations consistent with the purpose and spirit of the homestead program as outlined herein, said regulations to be approved in their entirety by the municipal governing body and by the municipality's solicitor as to form.

(8) Recommend to the code official and the code official shall exempt homesteaders who are rehabilitating existing structures, from the enforcement of specific sections of the

1 housing code during the period of rehabilitation or construction
2 except that no section relating to the individual's health and
3 safety may be waived.

4 (9) Recommend to the code officer and the code officer may
5 institute public nuisance proceedings against certain
6 deteriorated and blighted structures for demolition, or
7 rehabilitation through homesteading.

8 (10) Provide applicants with a report as to the structural
9 deficiencies of the property and other pertinent information
10 including an estimate of the costs of bringing the property into
11 compliance with the housing and building codes.

12 (11) Recommend to council the preparation of a Municipality
13 Homesteading Map designating the location of properties to be
14 included under the homesteading program to insure that the
15 homesteading program is compatible with existing or proposed
16 programs of other municipality agencies.

17 (d) In each municipality embarking upon an urban
18 homesteading program, the bureau or department charged with the
19 responsibilities of code enforcement, as specified in this act,
20 shall, in conjunction with the municipal planning commission and
21 its staff under the direction of the Homestead Board, compile
22 and maintain a catalogue of all unoccupied dwellings and vacant
23 lots owned by the municipality or otherwise. From this catalogue
24 shall be determined which parcels and structures can be utilized
25 for building or rehabilitation by homesteaders.

26 (e) The governing body, upon recommendation of the municipal
27 planning commission, shall by resolution approve the parcels
28 catalogued under subsection (d) for disposition by the board for
29 the public purpose of improving the quality of housing in
30 accordance with the homestead program.

Section 5. Qualifications.--(a) Homestead program property which, for purposes of this act, is limited to that property which, when rehabilitated, is a single family dwelling, will be offered to qualified applicants at no initial cost on a land trust agreement provided that the applicant:

(1) Is at least 18 years of age or is the head of a family.

(2) Is a citizen of the United States or a resident alien as determined by the United States Immigration and Naturalization Service or its successor.

(3) Is a recognized nonprofit community group or corporation acting as an agent for a homesteader.

(4) Has financial resources or the mechanical skills to rehabilitate an existing dwelling or construct a new dwelling, as the case may be.

(5) Has contractually agreed to rehabilitate, or construct on, as the case might be, the parcel assigned to him and further agrees to:

(i) Bring the assigned parcel up to municipal code standards as provided in this act, within 18 months after assignment of the parcel to him.

(ii) Permit periodic inspections by the code enforcement personnel for determination by the board that reasonable, satisfactory progress is being made by the homesteader in rehabilitating or constructing on the parcel assigned to him.

(iii) Live in, occupy, and maintain as a single family dwelling to the municipal code standards the parcel assigned to him for a period of not less than 5 years.

(b) Upon the approval of an applicant, as herein provided, the governing body of the municipality shall negotiate with the prospective homesteader a land trust agreement specifying in as

1 much detail as reasonably possible a schedule of improvements
2 the homesteader shall make to bring the dwelling into conformity
3 with the municipal housing code within 18 months. The agreement
4 shall be in sufficient detail so that a homesteader shall be
5 able to know what he must do and by when he must do it to
6 fulfill the conditions of the agreement and execute a land trust
7 agreement to the assigned parcel to the applicant.

8 (c) If and when the conditions of the land trust agreement
9 are fulfilled, as determined and certified by the code
10 enforcement bureau, the governing body of the municipality shall
11 execute all documents necessary to convey a fee simple title to
12 the assigned parcel to the applicant so qualifying.

13 Section 6. Land Trust Agreement.--(a) The agreement between
14 the homesteader and the governing body shall be a land trust
15 agreement and shall contain the following minimal conditions:

16 (1) The beneficiary of the agreement has no right, title or
17 interest in any portion of the real estate, either legal or
18 equitable.

19 (2) The beneficiary's interest in the trust agreement shall
20 be considered personal property.

21 (3) The beneficiary has the right of possession, management,
22 control, and operation of the property.

23 (4) The beneficiary has the duty of maintenance and repair
24 of the property in accordance with the provisions of the
25 agreement.

26 (5) The beneficiary takes the property in an "as is"
27 condition.

28 (6) The beneficiary from the time of the execution of the
29 trust agreement, accepts responsibility for all known or unknown
30 conditions apparent and nonapparent, of the property that were

1 created before the execution of the agreement or are in
2 existence at the time of the execution of the agreement or are
3 coming into or will come into existence either before, during,
4 or after the execution of the agreement.

5 (7) The beneficiary does not, cannot, and shall not act as
6 the agent of the trustee.

7 (8) The trustee does not assume any liability for the acts
8 or omissions to act of the beneficiary that result in injury or
9 damage to other parties or their property.

10 (9) The beneficiary shall carry insurance on the property as
11 the board may require. As a minimum, the insurance shall be
12 sufficient to pay off any loans taken in accordance with this
13 act and reimburse the municipality for their costs in acquiring
14 the property. The municipality and lending institutions, if
15 applicable, shall be named as joint beneficiary with the
16 homesteader of said policy.

17 (10) The beneficiary within 18 months after the municipality
18 assigns the homesteader a dwelling promises and covenants to
19 bring the assigned dwelling up to municipal building code
20 standards and maintain it at code standards throughout the
21 homestead agreement.

22 (11) The beneficiary promises and covenants to permit
23 periodic inspections at reasonable times and at reasonable
24 frequencies by municipal code enforcement personnel for the
25 determination of the municipality that reasonable and
26 satisfactory progress is being made by the homesteader in
27 rehabilitating the dwelling assigned to the homesteader.

28 (12) The beneficiary promises and covenants to occupy and
29 live in the dwelling assigned to him for a period of not less
30 than 5 years.

1 (13) The beneficiary's personal property interest in the
2 possession, management, control, and operation of the dwelling
3 may pass according to the rules applicable to personal property
4 except that before the personal property right passes the
5 municipality must approve the heir, assign, or successor of the
6 original homesteader. The heir, assign, or successor of the
7 beneficiary before any personal right vests in him must meet the
8 requirements of an applicant for the program and independently
9 agree to be bound by the homesteading agreement. An attempt to
10 pass the personal property right in any manner or to any degree
11 without obtaining the required approval and making the required
12 commitment is void and the beneficiary's personal property right
13 is automatically extinguished. Approved transferees of the
14 original beneficiary may deduct the original beneficiary's
15 residence time from the required 5 years.

16 (14) The beneficiary recognizes and agrees that if the
17 beneficiary after occupying the dwelling abandons the dwelling
18 for a period of more than 60 days or the dwelling is abandoned
19 60 days without permission of the urban homesteading board, the
20 beneficiary's right to the possession, management, control and
21 operation of the dwelling is automatically extinguished.

22 (15) The trustee after the beneficiary has fulfilled the
23 conditions of the land trust agreement will execute all
24 documents necessary to convey a fee simple title to the
25 beneficiary.

26 (16) The beneficiary shall be responsible for the payment of
27 all taxes and assessments on the property except that such
28 beneficiary shall not be liable for any taxes or assessments
29 which were imposed on such property prior to the negotiation by
30 him of a land trust agreement.

1 (b) During the first 5 years of a land trust agreement, the
2 real property being homesteaded shall be free of all liens and
3 encumbrances of the Department of Public Welfare for public
4 assistance claims against the beneficiary of the trust agreement
5 and his joint partners.

6 Section 7. Rehabilitation Loans.--(a) To assist local
7 municipalities in the elimination of slums and blighted or
8 deteriorated areas, in preventing the spread of slums, blight or
9 deterioration and in providing maximum opportunity for
10 redevelopment, rehabilitation and conservation of such areas by
11 private enterprise, municipal governing bodies are hereby
12 authorized to obtain low interest loans for the rehabilitation
13 of properties designated as suitable for homesteading.

14 (b) The municipality may borrow up to \$300,000 or \$10 per
15 capita, whichever is greater, without considering such debt
16 within the statutory borrowing limitations prescribed in the act
17 of July 12, 1972 (P.L.781, No.185), known as the "Local
18 Government Unit Debt Act."

19 (c) The municipal body administering this act is authorized
20 through the utilization of local public and private resources,
21 where feasible to make financing available through the board as
22 herein provided to the homesteaders, to finance the
23 rehabilitation of such property. No financing shall be made
24 available under this section except under the following
25 conditions:

26 (1) Rehabilitation is required to make the property conform
27 to applicable code requirements and to carry out the objectives
28 of a homestead plan for the area.

29 (2) The applicant is unable to secure the necessary funds
30 from other sources upon comparable terms and conditions.

1 (3) The resulting obligation is an acceptable risk taking
2 into consideration the need for the rehabilitation, the security
3 available for the debt and the ability of the applicant to repay
4 the debt.

5 (4) The board has first caused to be prepared a full and
6 complete list of all major code deficiencies and has caused bid
7 specifications and cost estimates for the rectification of these
8 deficiencies to be prepared. Based on those specifications, the
9 board shall advertise for bids, either individually, or
10 collectively with other homestead properties, all those
11 deficiencies the homesteader indicates he cannot rectify by
12 himself, and if the homesteader agrees to the bid to be
13 responsible for the payments of said bid.

14 (5) The resulting bids received shall be from the lowest
15 responsible bidder, and acceptable to the homesteader.

16 (6) The board has caused to be created an inspection
17 schedule, to assure that specifications are being met and that
18 the work is progressing at a sufficient rate to meet the
19 schedule for code deficiency rectification provided under this
20 act.

21 (7) A contractual agreement, between the board and the
22 approved contractor, and acceptable to the homesteader,
23 stipulating both a performance and payment schedule, as well as
24 any other item determined necessary by the board has been
25 prepared. Such payments shall be made, or authorized, by the
26 board according to the agreed-to schedule.

27 (d) Rehabilitation financing made under this section shall
28 be subject to the following limitations:

29 (1) The debt shall be subject to such terms and conditions
30 as may be prescribed by the municipal governing body.

1 (2) The term of the debt may not exceed 20 years or three-
2 fourths of the remaining economic life of the structure after
3 rehabilitation, whichever is less.

4 (3) The principal shall bear interest at such rate as
5 determined by the administrating agency, but in no case shall it
6 exceed 0.5% per annum the interest rate obtained by council and
7 the board may prescribe such other charges as it finds necessary
8 including service charges, and appraisal, inspection and other
9 fees.

10 (4) The amount of the debt may not exceed the amount of an
11 obligation which would result in a monthly payment by the
12 applicant of not more than 25% of his average monthly income.

13 (e) In no case shall the homesteader's first payment on his
14 financial obligation to the board be required prior to occupancy
15 of the homestead property.

16 Section 8. Default Procedures.--(a) Before the homesteader
17 executes the land trust agreement, the board or its designate
18 shall explain to the homesteader the conditions of the land
19 trust agreement, his obligations thereunder, the appeal
20 procedures under this act and the consequences of failure to
21 comply with the conditions of the land trust agreement. After
22 the board or its designate makes the explanation contained in
23 this subsection and the homesteader understands the material
24 explained, the homesteader shall sign a statement that the
25 information contained in this subsection has been explained to
26 him and that he understands it and agrees to be bound in
27 accordance thereof. His signature shall constitute prima facie
28 evidence that he knowingly and understandingly executed the land
29 trust agreement. Only clear and convincing evidence to the
30 contrary may rebut this evidence.

1 (b) If an inspector in a periodic inspection determines that
2 the homesteader has not or is not complying with the conditions
3 of the land trust agreement, he shall give the homesteader an
4 oral warning that he is in default of the land trust agreement.
5 Within 7 days from the date of the oral warning, the inspector
6 shall send a written warning to the homesteader. The warning
7 shall contain the information that the homesteader is in default
8 and specify with reasonable particularity what the homesteader
9 must do to bring the parcel into compliance with the land trust
10 agreement. The inspector shall also give the homesteader not
11 less than 30 nor more than 60 days from the date of the mailing
12 of the written warning to bring the parcel into compliance with
13 the land trust agreement. The inspector shall send a copy of the
14 written warning to the board and maintain one copy of the
15 warning with the code enforcement bureau. At the expiration of
16 the time period indicated in the written warning notice, or as
17 near to that time as practicable, the inspector will again
18 inspect the parcel to verify the homesteader's compliance with
19 the warning and land trust agreement.

20 (1) If the inspector determines that the homesteader has
21 complied with or substantially complied with the warning notice
22 and brought the parcel up to the agreed upon standard, then he
23 shall so inform the homesteader and file a written report of the
24 compliance with the written warning notice in the code
25 enforcement office and with the board.

26 (2) If the inspector determines that the homesteader has not
27 complied with or has not substantially complied with the warning
28 notice and has not brought the parcel up to the agreed upon
29 standard, he shall so inform the homesteader and the board.

30 (c) Within 10 days of the receipt of the inspector's report,

1 the board shall either appoint one of its members or designate a
2 master to hold a hearing to determine why the homesteader has
3 not complied with the condition of the land trust agreement. The
4 purpose of this hearing is curative. The inspector shall present
5 his findings to the board member or the designated master. The
6 homesteader shall present his position to the board member or
7 the designated master. Unless the board member or the designated
8 master determines that counsel is necessary, neither party will
9 be represented by counsel. If the board member or the designated
10 master determines that counsel is necessary and the homesteader
11 is indigent, the board member or designated master shall appoint
12 counsel to represent the homesteader. The board member or
13 designated master shall announce his decision and inform the
14 homesteader. Within 7 days from the date of the oral warning,
15 the board member or designated master shall send a written
16 warning to the homesteader. The warning shall contain the
17 information that the homesteader is in default and specify with
18 reasonable particularity what the homesteader must do to bring
19 the parcel into compliance with the land trust agreement. The
20 board member or designated master shall also give the
21 homesteader not less than 30, nor more than 60 days from the
22 date of the mailing of the written warning to bring the parcel
23 into compliance with the land trust agreement. The board member
24 or designated master shall send a copy of the written warning to
25 the board and maintain one copy of the warning with the code
26 enforcement bureau. At the expiration of the time period
27 indicated in the written warning notice, or as near to that time
28 as practicable, the inspector will again inspect the parcel to
29 verify the homesteader's compliance with the warning and land
30 trust agreement.

1 (1) If the inspector determines that the homesteader has
2 complied with or substantially complied with the warning notice
3 and brought the parcel up to the agreed upon standard, then he
4 shall so inform the homesteader and file a written report of the
5 compliance with the written warning notice in the code
6 enforcement office and with the board.

7 (2) If the inspector determines that the homesteader has not
8 complied with or has not substantially complied with the warning
9 notice and has not brought the parcel up to the agreed upon
10 standard, he shall so inform the homesteader and the board.

11 (d) Within 10 days of the receipt of the inspector's report
12 of noncompliance, the board shall schedule a hearing and appoint
13 no less than three members from the board to hold a hearing to
14 determine whether the urban homesteader has breached the land
15 trust agreement and extinguished his personal property right
16 under the agreement. Within 3 days after the scheduling of the
17 hearing the board shall cause personal service of a summons be
18 made either on the homesteader or someone capable of accepting
19 service on his behalf ordering him to appear before the board
20 and show cause why the board should not declare him in breach of
21 the agreement and extinguish his personal property right in the
22 land trust agreement. The board, within 3 days after the
23 scheduling of the hearing shall notify the homesteader of his
24 right to be represented by counsel and if indigent, his right to
25 have counsel appointed on his behalf.

26 (1) If the board decides that the homesteader has fulfilled
27 his responsibilities under the land trust agreement, they shall
28 so note and cause copies of their decision to be provided to the
29 urban homesteader, the code enforcement agency and the board.

30 (2) If the board decides that the homesteader has not

1 fulfilled his responsibilities under the land trust agreement,
2 the board may declare him in breach of the land trust agreement
3 and extinguish his personal property right in the land trust
4 agreement and shall so inform the homesteader.

5 (e) After a final decision by the board that the homesteader
6 is in violation of his land trust agreement, the homesteader
7 shall have 14 business days to file an appeal from that decision
8 with the court of common pleas of the county.

9 (1) If within the 14 days the homesteader does not appeal to
10 the court of common pleas, the board shall record its final
11 determination extinguishing the homesteader's personal property
12 interest under the land trust agreement. The board shall, the
13 date they record their final decision, send a copy of the final
14 judgment to the homesteader and notice that if within 21 days he
15 does not vacate the premises, they will initiate summary
16 ejectment procedures against him. If within the 21 days the
17 homesteader does not vacate the premises, the board shall
18 initiate summary ejectment proceedings against him.

19 (2) In case of an appeal to the court of common pleas, the
20 homesteader shall have the right to counsel and, if the
21 homesteader is indigent, counsel will be appointed in his
22 behalf. The court shall hear the homesteader's appeal within 30
23 days from the date he files it with the court. If the court
24 decides that the homesteader has not fulfilled his
25 responsibilities under the land trust agreement, they shall
26 affirm the decision of the board and cause copies of their
27 decision to be provided to the urban homesteader, the code
28 enforcement agency and the board. The decision of the court
29 shall be final. The board, the date they record their final
30 decision, shall send a copy of the final judgment to the

1 homesteader and notice that if within 21 days he does not vacate
2 the premises, they will initiate summary ejectment procedures
3 against him. If the homesteader does not vacate the premises
4 within 21 days after the court enters judgment, the board shall
5 initiate summary ejectment proceedings against him.

6 Section 9. Code Enforcement.--(a) The authority granted an
7 acquiring agency or municipality under this act for the purposes
8 of urban homesteading, requires that the municipality or
9 municipalities in which urban homesteading is to be initiated by
10 an acquiring agency, municipality or municipalities, must have
11 in effect a housing code which establishes standards for the
12 protection of the public's health, safety and welfare.

13 (b) The housing code should establish standards for basic
14 equipment and facilities; for light, ventilation and heating;
15 for space, use and location; and for safe and sanitary
16 maintenance of all dwellings now in existence or thereafter
17 constructed. As minimum requirements, the housing code shall
18 provide that:

19 (1) Dangerous walls must be replaced or repaired. This
20 includes the replacement of defective wood lintels and defective
21 wood sills.

22 (2) The property must be weatherproofed by replacing or
23 repairing any defective siding, shingles or other defects in
24 exterior walls.

25 (3) Gutters and downspouts must be repaired or replaced if
26 they cause the entry of water into the property, onto adjacent
27 property or cause any public nuisances.

28 (4) Porches or access stairways (inside or outside of the
29 structure) must be made safe for use. Defective porches or
30 access stairways must be repaired or replaced.

1 (5) Missing and dangerously defective individual steps must
2 be replaced or repaired.

3 (6) Chimneys should be properly lined and repaired to
4 service the connected facilities.

5 (7) Roofs must be leakproof.

6 (8) Window frames and doors should fit properly and be
7 operable.

8 (9) The electric service must be adequate for the type of
9 structure and in a safe and operable condition.

10 (10) Every single family residence must have a complete bath
11 consisting of a tub, a toilet and a basin. Each kitchen must
12 have a sink.

13 (11) Water pipes, drainpipes and soilpipes should be
14 operable and capable of providing the intended service.

15 (12) Each dwelling should have a water heater in operable
16 condition.

17 (13) Every dwelling unit should have a room or space for the
18 preparation and cooking of food including space and connections
19 for a stove or other cooking facilities. Adequate electric
20 service must be provided for connecting electric refrigerators
21 and other electrical kitchen appliances.

22 (14) Rotted and defective load carrying members should be
23 replaced or repaired.

24 (15) Termite infested wood members should be properly
25 treated or replaced.

26 (16) Rodent and vermin infestation must be eliminated,
27 including rat-proofing if necessary.

28 (17) Every dwelling should contain heating facilities,
29 properly designed and installed, in good and safe working
30 condition, capable of heating those rooms and areas to be

1 inhabited. Systems must be operated to prevent freezing of pipes
2 and plumbing.

3 (18) Habitable rooms should contain a window opening
4 directly to the outside.

5 (19) The premises should be maintained in a clean and
6 sanitary condition at all times. Refuse should be placed in
7 proper receptacles for collection.

8 (c) The housing code shall also:

9 (1) Establish the responsibilities of owners, operators and
10 occupants of dwellings including multi-family dwellings.

11 (2) Provide procedures for the administration and
12 enforcement of the housing code either by the municipality
13 directly or by contractual arrangements with a county, regional
14 or inter-governmental code enforcement bureau, including
15 penalties for violations.

16 (d) This section does not preclude a municipality from
17 adopting by reference a county housing code or a State housing
18 code which meets the aforementioned minimum standards and which
19 may be in existence at the time the municipality enters into a
20 local homesteading program as provided for in this act.

21 (e) The housing code should be reviewed every 24 months and
22 must be in effect at the time the acquiring agency, municipality
23 or municipalities exercise any provisions of this act.

24 (f) Any property which has been cited by a municipality as
25 being unfit for human habitation under provisions of a housing
26 code which the municipality has legally adopted by ordinance may
27 be subject to condemnation by that municipality or by an
28 acquiring agency designated by the municipality under the
29 following conditions:

30 (1) A preliminary notice outlining the housing code

1 violations must be sent by registered mail to the owner or
2 owners of any property found to be unfit for human habitation.

3 (2) If within 30 days the owner or owners make no attempt to
4 correct the violations and bring the property into code
5 compliance or contact the municipality regarding their
6 intentions to do so, a second and final notice shall be
7 forwarded by registered mail to the owner or owners giving them
8 120 days from the date of the final notice to bring the property
9 into code compliance or in the case of a hardship to notify the
10 municipality of same.

11 (3) If after 120 days of receipt of the final notice the
12 property owner or owners have not brought the property into code
13 compliance the property may be subject to condemnation as
14 provided for in this act either by the municipality or by an
15 acquiring agency designated by the municipality.

16 (4) If the municipality or designated agency determines that
17 the property which is unfit for human habitation has not been
18 brought into code compliance under provisions of the
19 municipalities housing code after 150 days, and after proper
20 notification as provided for in this act, and if the
21 municipality determines that the property would be suitable for
22 urban homesteading as defined in this act either through
23 rehabilitation and resale of the home or building (providing
24 that in the event of a residential structure it contains no more
25 than three family living units), or through demolition and
26 resale of the land, the municipality or the acquiring agency may
27 proceed to acquire the property under the provisions of the act
28 of June 22, 1964 (Sp.Sess., P.L.84, No.6) known as the "Eminent
29 Domain Code," which requires that the municipality or acquiring
30 agency file in court a declaration of taking, with such security

1 as may be required under section 403 (a) of the "Eminent Domain
2 Code" and thereupon the title which the condemnor acquires in
3 the property condemned shall pass to the condemnor on the date
4 of such filing, and the condemnor shall be entitled to
5 possession as provided in section 407 of the "Eminent Domain
6 Code" (including residential buildings with more than three
7 family units where economically unfeasible to rehabilitate).

8 Section 10. Eminent Domain.--The act of June 22, 1964
9 (Sp.Sess., P.L.84, No.6) known as the "Eminent Domain Code,"
10 shall be applicable to acquisitions of property by
11 municipalities for urban homesteading under the provisions of
12 this act.

13 Section 11. Assessments.--(a) Notwithstanding the provision
14 of any other law, the proper authorities may change the assessed
15 valuation of real property when a property is being
16 rehabilitated as a homestead property. In such case the
17 homestead property will be assessed for taxing purposes at 20%
18 of market value the first year and at 40%, 60%, 80%, 100% during
19 the successive 4 years respectively.

20 (b) Whenever a property is sold under the provisions as
21 outlined in this act as a homestead property a notice listing
22 the address of the property and the individual or individuals to
23 whom the property is to be sold shall be forwarded to the office
24 of the chief assessor of the county in which the property is
25 located. In addition the tax on said property shall be computed
26 at the end of each year on the following basis:

27	(1) Year 1	20% of assessed value
28	(2) Year 2	40% of assessed value
29	(3) Year 3	60% of assessed value
30	(4) Year 4	80% of assessed value

1 (5) Year 5 100% of assessed value

2 (c) This does not alter or affect the ratio to market value
3 in effect in any one county but merely changes the base
4 proportionately as the property is rehabilitated, at which time
5 the property is taxed on full market value. All homestead
6 properties shall be assessed prior to the initial sale and then
7 in the third year of ownership and again before title passes
8 following the fifth year of occupancy.

9 (d) At the request of any municipality engaged in a
10 homesteading program, any other taxing bodies shall have the
11 option of waiving any and all delinquent taxes for the express
12 purpose of homesteading the parcel in question for the 5-year
13 period as provided for in this act.

14 Section 12. Severability.--If any provision of this act or
15 the application thereof to any person or circumstances is held
16 invalid, such invalidity shall not affect other provisions or
17 applications of the act which can be given effect without the
18 invalid provision or application, and to this end the provisions
19 of this act are declared to be severable.

20 Section 13. Effective Date.--This act shall take effect
21 immediately.