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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 356

Session of  
1985

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INTRODUCED BY RICHARDSON, MILLER, IRVIS, FREEMAN, PRESTON, DEAL,  
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FEBRUARY 13, 1985

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REFERRED TO COMMITTEE ON URBAN AFFAIRS, FEBRUARY 13, 1985

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AN ACT

1 Providing authority for urban homesteading and the procedure for  
2 establishing an urban homesteading program; expanding local  
3 government's authority in dealing with urban blight and  
4 decay; and providing exclusions from certain statutes.

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1 Section 13. Assessments.

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

6 Section 1. Short title.

7 This act shall be known and may be cited as the Urban  
8 Homesteading and Rehabilitation Act.

9 Section 2. Legislative intent.

10 The General Assembly of the Commonwealth of Pennsylvania  
11 recognizes the need for strengthening the authority of local  
12 government in dealing with the problems of housing. The General  
13 Assembly recognizes that urban homesteading can be an effective  
14 tool in local government's continuing struggle against urban  
15 decay. In conjunction with other Federal, State and local  
16 programs, urban homesteading offers the unique potential of  
17 preserving our architectural heritage in addition to slowing and  
18 reversing the loss of existing urban housing units. While the  
19 concept of urban homesteading is being investigated by some in  
20 Pennsylvania, it is desirable that such programs have some  
21 uniformity of purpose and design. For the concept of urban  
22 homesteading to work at an optimum level, it will be necessary  
23 for such programs to be excluded from certain statutory  
24 limitations normally placed on local governments.

25 Section 3. Definitions.

26 The following words and phrases when used in this act shall  
27 have the meanings given to them in this section unless the  
28 context clearly indicates otherwise:

29 "Agency." The Municipal Homestead Agency.

30 "Board." The governing body of the homestead agency

1 appointed to administer this act.

2 "Code official." The director or individual responsible for  
3 the supervision of the bureau or department responsible for code  
4 enforcement.

5 "Council." The elected body of officials governing the  
6 municipality.

7 "Department." The Department of Community Affairs of the  
8 Commonwealth.

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

10 "Homestead Board." The board created by section 4(b) or an  
11 existing authority, board, commission or quasi-governmental  
12 nonprofit corporation in existence prior to the effective date  
13 of this act to which the council, by ordinance, has assigned the  
14 duty to administer the homestead program provided by this act.

15 "Homesteader." An individual, his spouse, housing  
16 cooperative or nonprofit corporation conforming to the  
17 provisions and intent of this act.

18 "Housing cooperative." Any five or more persons, who shall  
19 have associated themselves together by written articles of  
20 association, such as described in section 1 of the act of June  
21 7, 1887 (P.L.365, No.252), entitled "An act to encourage and  
22 authorize the formation of cooperative associations, productive  
23 and distributive, by farmers, mechanics, laborers, or other  
24 persons," for the purpose of buying, selling, holding, leasing  
25 or improving lands, tenements or buildings.

26 "Major code deficiencies." All those deficiencies enumerated  
27 under section 11.

28 "Municipality." Any political subdivision of the  
29 Commonwealth other than a school district.

30 "Parcel." That tract of land or unit of housing which, under

1 existing local zoning regulations, would accommodate a single-  
2 family residence or housing cooperative as defined in this act.  
3 The term "parcel," unmodified by the word "developed," shall  
4 include both developed and undeveloped tracts.

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

6 Section 4. Urban homesteading.

7 (a) Program established.--There is hereby created an urban  
8 homesteading program to be effective immediately and  
9 administered by option of the various municipalities of the  
10 Commonwealth, meeting certain requirements set forth in this  
11 act, and upon enactment of the necessary ordinances.

12 (b) Homestead Board.--The governing body of the municipality  
13 is hereby authorized to create and appoint members of a board to  
14 be known as the Homestead Board, whose purposes shall be to  
15 administer the homestead program, except that nothing in this  
16 subsection shall be interpreted to prohibit the governing body  
17 from assigning such duties, by ordinance, to an existing  
18 authority, board, commission or existing quasi-governmental  
19 nonprofit corporation. Except where council has assigned  
20 homestead program duties to an existing authority, board,  
21 commission or quasi-governmental nonprofit corporation, the  
22 Homestead Board shall be composed of no less than nine, and no  
23 more than twelve, members, no less than three of whom shall be  
24 members of minority groups and no fewer than one of whom shall  
25 be a representative of a local community action agency, where  
26 such an agency exists. All board members shall have specific  
27 experience with urban housing. Board members shall serve a term  
28 of three years and shall be eligible for reappointment. Members  
29 of the board shall receive no compensation but shall be  
30 reimbursed for expenses actually incurred in connection with

1 performing the duties prescribed by this act and shall by  
2 majority vote appoint a secretary of the board, who may or may  
3 not be a member of the board. The secretary shall receive such  
4 compensation as may be agreed to by the members of the Homestead  
5 Board. In addition, the members of the Homestead Board may  
6 appoint and fix the compensation of such personnel as may be  
7 necessary to implement the homestead program, provided council  
8 has made funds available for such purposes.

9 (c) Powers and duties.--The board shall:

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

16 (2) Receive applications, recording thereon the date and  
17 time received, and review applications in the order received  
18 as to applicants' compliance with criteria established by  
19 this act and local ordinance and the regulations promulgated  
20 thereunder.

21 (3) In order, according to date and time of receipt of  
22 application, approve and certify applicants as to their  
23 specific construction skills and ability in general to  
24 refurbish the assigned parcel.

25 (4) Recommend, in order, according to date and time of  
26 receipt of application, the execution by the governing body  
27 of a land trust agreement with the approved applicant. The  
28 land trust agreement shall grant a 24-month tax exemption for  
29 the assigned parcel and be recorded with the appropriate  
30 county officials. If the number of approved applicants

1 exceeds the number of parcels for which land trust agreements  
2 are recommended, agreements shall be negotiated in order,  
3 according to date and time of receipt of application, until  
4 all available parcels are subject to such agreements.

5 Negotiations with those approved applicants who are without  
6 agreements shall be commenced in order, according to the date  
7 and time of receipt of application, as additional parcels  
8 become available.

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

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

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

21 (8) Give notice to the code official which provides that  
22 pursuant to the authority of the governing body under section  
23 5(b), approved identified homesteaders who are rehabilitating  
24 existing structures are exempt from the enforcement of  
25 specific sections of the housing and property maintenance  
26 code during the period of rehabilitation or construction,  
27 except that no section relating to the individual's health  
28 and safety shall be waived.

29 (9) Give notice to the code officer who shall thereupon  
30 institute public nuisance proceedings against certain

deteriorated and blighted structures for demolition or rehabilitation through homesteading.

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

(11) Recommend to council that a municipality homesteading map be prepared designating the location of properties to be included under the homesteading program to insure that the homesteading program is compatible with existing or proposed programs of other municipality agencies.

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

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

#### Section 5. Qualifications.

(a) Qualifications enumerated.--Homestead program property, for purposes of this act, shall be limited to that property

1 which, when rehabilitated, is a single-family residence or  
2 housing cooperative and which will be offered to qualified  
3 applicants at no initial cost on a land trust agreement provided  
4 that the applicant:

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

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

10 (3) Is a recognized nonprofit community group,  
11 corporation or housing cooperative acting as an agent for a  
12 homesteader.

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

16 (5) Upon assignment, contractually agrees to  
17 rehabilitate, or construct on, as the case may be, the parcel  
18 assigned to him and further agrees to:

19 (i) bring the assigned parcel up to housing and  
20 property maintenance code standards, as provided in this  
21 act, within 18 months after assignment of the parcel to  
22 him;

23 (ii) permit quarterly inspections by the code  
24 enforcement personnel for determination by the board that  
25 reasonable, satisfactory progress is being made by the  
26 homesteader in rehabilitating or constructing on the  
27 parcel assigned to him; and

28 (iii) live in, occupy, and maintain as a single-  
29 family dwelling or a housing cooperative to the housing  
30 and property maintenance code standards, the parcel



1 assigned to him for a period of not less than five years.

2 (b) Land trust agreement.--After approval of an applicant  
3 pursuant to section 4(c)(3), the governing body of the  
4 municipality shall negotiate and execute a land trust agreement  
5 with the prospective homesteader, thereby assigning the parcel.  
6 The agreement shall specify, in as much detail as reasonably  
7 possible, a schedule of improvements the homesteader shall make  
8 to bring the dwelling into conformity with the municipal housing  
9 and property maintenance code within 18 months. The agreement  
10 shall be in sufficient detail so that a homesteader shall be  
11 able to know what he must do and by when he must do it to  
12 fulfill the conditions of the agreement.

13 (c) Conveyance upon fulfillment.--If and when the conditions  
14 of the land trust agreement are fulfilled, as determined and  
15 certified by the code enforcement bureau, the governing body of  
16 the municipality shall execute all documents necessary to convey  
17 a fee simple title to the assigned parcel to the applicant so  
18 qualifying.

19 Section 6. Land trust agreement.

20 The agreement between the homesteader and the governing body  
21 shall be a land trust agreement and shall contain the following  
22 minimal conditions:

23 (1) The homesteader of the agreement has the first right  
24 to the title of the real estate, upon completion of the land  
25 trust agreement.

26 (2) The homesteader's interest in the trust agreement  
27 shall be considered personal property.

28 (3) The homesteader has the right of possession,  
29 management, control and operation of the property.

30 (4) The homesteader has the duty of maintenance and

1 repair of the property in accordance with the provisions of  
2 the agreement.

3 (5) The homesteader takes the property in an "as is"  
4 condition.

5 (6) The homesteader, from the time of the execution of  
6 the trust agreement, accepts responsibility for all known or  
7 unknown conditions, apparent and nonapparent, of the property  
8 that were created before the execution of the agreement or  
9 are in existence at the time of the execution of the  
10 agreement or are coming into or will come into existence  
11 either before, during or after the execution of the  
12 agreement.

13 (7) The homesteader shall not act as the agent of the  
14 trustee.

15 (8) The trustee does not assume any liability for the  
16 acts, or omissions to act, of the homesteader that result in  
17 injury or damage to other parties or their property.

18 (9) The homesteader shall carry insurance on the  
19 property as the board may require. As a minimum, the  
20 insurance shall be sufficient to pay off any loans taken in  
21 accordance with this act and reimburse the municipality for  
22 its costs in acquiring the property. The municipality and  
23 lending institutions, if applicable, shall be named as joint  
24 beneficiary with the homesteader of said policy.

25 (10) The homesteader, within 18 months after the  
26 municipality assigns the homesteader a dwelling, promises and  
27 covenants to bring the assigned dwelling up to housing and  
28 property maintenance code standards and maintain it at code  
29 standards throughout the homestead agreement.

30 (11) The homesteader promises and covenants to permit

1       quarterly inspections, between the hours of 9 a.m. and 4  
2       p.m., or at a mutually agreed time, and at reasonable  
3       frequencies, by housing and property maintenance code  
4       enforcement personnel for the determination of the  
5       municipality that reasonable and satisfactory progress is  
6       being made by the homesteader in rehabilitating the dwelling  
7       assigned to him.

8       (12) The homesteader promises and covenants to occupy  
9       and live in the dwelling assigned to him for a period of not  
10      less than five years.

11      (13) The homesteader's personal property interest in the  
12      possession, management, control and operation of the dwelling  
13      may pass according to the rules applicable to personal  
14      property except that before the personal property right  
15      passes, the municipality must approve the heir, assign or  
16      successor of the original homesteader. The heir, assign or  
17      successor of the homesteader, before any personal right vests  
18      in him, must meet the requirements of an applicant for the  
19      program and independently agree to be held responsible to the  
20      homesteading agreement. An attempt to pass the personal  
21      property right in any manner or to any degree without  
22      obtaining the required approval and making the required  
23      commitment is void, and the homesteader's personal property  
24      right is automatically extinguished. Approved transferees of  
25      the original homesteader may deduct the original  
26      homesteader's residence time from the required five years.

27      (14) The homesteader recognizes and agrees that, if the  
28      homesteader, after occupying the dwelling, abandons the  
29      dwelling for a period of more than 60 days or the dwelling is  
30      abandoned 60 days without permission of the urban

1 homesteading board, the homesteader's right to the  
2 possession, management, control and operation of the dwelling  
3 is automatically extinguished.

4 (15) The trustee, after the homesteader has fulfilled  
5 the conditions of the land trust agreement, will execute all  
6 documents necessary to convey a fee simple title to the  
7 homesteader.

8 (16) The board may allow for extenuating circumstances,  
9 including, but not limited to, serious illness of the  
10 homesteader.

11 (17) The homesteader shall elect the person to whom the  
12 property shall be transferred upon the death of the  
13 homesteader. This transfer shall be for a consideration of  
14 \$1.

15 Section 7. Homesteaded land free from liens.

16 During the period of a land trust agreement, the real  
17 property being homesteaded shall be free of all liens and  
18 encumbrances.

19 Section 8. Rehabilitation loans.

20 (a) Low interest loans.--To assist local municipalities in  
21 the elimination of slums and blighted or deteriorated areas, in  
22 preventing the spread of slums, blight or deterioration and in  
23 providing maximum opportunity for redevelopment, rehabilitation  
24 and conservation of such areas by private enterprise, municipal  
25 governing bodies are hereby authorized to obtain low interest  
26 loans for the rehabilitation of properties designated as  
27 suitable for homesteading.

28 (b) Debt authorized.--The municipality may borrow up to  
29 \$300,000 or \$10 per capita, whichever is greater, without  
30 considering such debt within the statutory borrowing limitations

1 prescribed in the act of July 12, 1972 (P.L.781, No.185), known  
2 as the Local Government Unit Debt Act.

3 (c) Financing of rehabilitation.--The municipal body  
4 administering this act is authorized, through the utilization of  
5 local public and private resources where feasible, to make  
6 financing available through the board, as herein provided, to  
7 the homesteaders to finance the rehabilitation of such property.  
8 No financing shall be made available under this section unless  
9 all of the following are met:

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

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

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

20 (4) The board has first caused to be prepared a full and  
21 complete list of all major code deficiencies and has caused  
22 bid specifications and cost estimates for the rectification  
23 of these deficiencies to be prepared. Based on those  
24 specifications, the board shall advertise for bids, either  
25 individually or collectively with other homestead properties,  
26 all those deficiencies the homesteader indicates he cannot  
27 rectify by himself, and, if the homesteader agrees to the  
28 bid, to be responsible for the payments of said bid.

29 (5) The resulting bids received shall be from the lowest  
30 responsible bidder and acceptable to the homesteader.

1           (6) The board has caused to be created an inspection  
2           schedule, to assure that specifications are being met and  
3           that the work is progressing at a sufficient rate to meet the  
4           schedule for code deficiency rectification provided under  
5           this act.

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

12          (d) Limitations.--Rehabilitation financing made under this  
13          section shall be subject to the following limitations:

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

17               (2) The term of the debt may not exceed 30 years or  
18               three-fourths of the remaining economic life of the structure  
19               after rehabilitation, whichever is less.

20               (3) The principal shall bear interest at such rate as  
21               determined by the administrating agency, but in no case shall  
22               it exceed one-half of 1% per year the interest rate obtained  
23               by council, and the board may prescribe such other charges as  
24               it finds necessary, including service charges, and appraisal,  
25               inspection and other fees.

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

29          (e) First payment for occupancy not required.--In no case  
30          shall the homesteader's first payment on his financial

1 obligation to the board be required prior to occupancy of the  
2 homestead property.

3 Section 9. Federal funding.

4 (a) Training.--Participants in the homesteading program  
5 shall, to the extent possible, take advantage of training  
6 programs funded in whole or in part through the Job Training  
7 Partnership Act (Public Law 97-300, 29 U.S.C. § 1501, et seq.).

8 (b) Loans.--Participants shall also take advantage of any  
9 grants or loans made available through the Federal Community  
10 Services Block Grant Act, and other sources, as administered by  
11 the department.

12 Section 10. Default procedures.

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

28 (b) Noncompliance.--

29 (1) If a code official in a quarterly inspection  
30 determines that the homesteader has not or is not complying

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

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

26 (3) If the code official determines that the homesteader  
27 has not complied with or has not substantially complied with  
28 the warning notice and has not brought the parcel up to the  
29 agreed-upon standard, he shall file a written report with the  
30 board. Such report shall specify with reasonable



1 particularity the facts upon which the code official based  
2 his decision of noncompliance and shall be delivered to the  
3 homesteader at the same time it is filed with the board.

4 (c) Formal hearing.--

5 (1) Within ten days of the receipt of the code  
6 official's report of noncompliance, the board shall schedule  
7 a hearing and appoint no less than three members from the  
8 board to determine whether the urban homesteader has breached  
9 the land trust agreement and extinguished his personal  
10 property right under the agreement. The decision of the board  
11 members so appointed shall have the full force and effect of  
12 a decision by the entire membership of the board. Within  
13 three days after the scheduling of the hearing, the board  
14 shall cause personal service of a hearing notice be made  
15 either on the homesteader or someone capable of accepting  
16 service on his behalf, ordering him to appear before the  
17 board and show cause why the board should not declare him in  
18 breach of the agreement and extinguish his personal property  
19 right in the land trust agreement. The hearing notice shall  
20 notify the homesteader of his right to be represented by  
21 counsel and if indigent, his right to have counsel appointed  
22 on his behalf.

23 (2) If the board decides that the homesteader has  
24 fulfilled his responsibilities under the land trust  
25 agreement, it shall so note and provide copies of its  
26 decision to the urban homesteader and the code enforcement  
27 agency.

28 (3) If the board decides that the homesteader has not  
29 fulfilled his responsibilities under the land trust  
30 agreement, the board may:

1           (i) declare him in breach of the land trust  
2           agreement and issue a final decision to extinguish his  
3           personal property right in the land trust agreement and  
4           shall so inform the homesteader; or

5           (ii) issue an interim order which grants the  
6           homesteader not less than 30 nor more than 60 days from  
7           the interim order to bring the parcel into compliance  
8           with the land trust agreement.

9           (4) If the board has issued an interim order pursuant to  
10          paragraph (3)(ii), the code official shall file a  
11          reinspection report with the board within three days of the  
12          expiration of the period granted for compliance pursuant to  
13          the interim order. If the code official determines that the  
14          homesteader has complied with or substantially complied with  
15          the interim order and brought the parcel up to the agreed-  
16          upon standard, then he shall file with the board a written  
17          report so stating and terminating the land trust agreement  
18          breach declaration procedure. If the code official determines  
19          that the homesteader has not complied with the interim order,  
20          he shall file a written report with the board so stating. The  
21          code official shall provide the homesteader with a copy of  
22          all reports filed with the board pursuant to this section.

23          (5) Upon receipt of the code official's report of the  
24          homesteader's noncompliance with the board's interim order,  
25          the board may proceed as set forth in paragraph (3)(i).

26          (d) Decision and appeal.--

27          (1) After a final decision by the board that the  
28          homesteader is in violation of his land trust agreement, the  
29          homesteader shall have 14 business days to file an appeal  
30          from that decision with the court of common pleas of the

1 county.

2 (2) If within the 14 days the homesteader does not  
3 appeal to the court of common pleas, the board shall record  
4 its final determination extinguishing the homesteader's  
5 personal property interest under the land trust agreement.  
6 The board shall, the date it records its final decision, send  
7 a copy of the final judgment to the homesteader and notice  
8 that if within 21 days he does not vacate the premises, the  
9 board will initiate summary ejectment procedures against him.  
10 If within the 21 days the homesteader does not vacate the  
11 premises, the board shall initiate summary ejectment  
12 proceedings against him.

13 (3) In case of an appeal to the court of common pleas,  
14 the homesteader shall have the right to counsel and, if the  
15 homesteader is indigent, counsel will be appointed in his  
16 behalf. The court shall hear the homesteader's appeal within  
17 30 days from the date he files it with the court. If the  
18 court decides that the homesteader has not fulfilled his  
19 responsibilities under the land trust agreement, it shall  
20 affirm the decision of the board and cause copies of its  
21 decision to be provided to the urban homesteader, the code  
22 enforcement agency and the board. The decision of the court  
23 shall be final. The board, on the date it receives the court  
24 decision, shall send a copy to the homesteader together with  
25 notice that, if within 21 days he does not vacate the  
26 premises, the board will initiate summary ejectment  
27 procedures against him. If the homesteader does not vacate  
28 the premises within 21 days after the court enters judgment,  
29 the board shall initiate summary ejectment proceedings  
30 against him.

1 Section 11. Code enforcement.

2 (a) Housing and property maintenance code requirement.--The  
3 municipality or municipalities in which urban homesteading is to  
4 be initiated by an acquiring agency under this act shall have a  
5 housing and property maintenance code which establishes  
6 standards for the protection of the public's health, safety and  
7 welfare.

8 (b) Provisions of code.--The housing and property  
9 maintenance code shall establish standards for basic equipment  
10 and facilities, for light, ventilation and heating, for space,  
11 use and location, and for safe and sanitary maintenance of all  
12 dwellings now in existence or thereafter constructed. As minimum  
13 requirements, the housing and property maintenance code shall  
14 provide that:

15 (1) Dangerous walls shall be replaced or repaired. This  
16 includes the replacement of defective wood lintels and  
17 defective wood sills.

18 (2) The property shall be weatherproofed by replacing or  
19 repairing any defective siding, shingles or other defects in  
20 exterior walls.

21 (3) Gutters and downspouts shall be repaired or replaced  
22 if they cause the entry of water into the property or onto  
23 adjacent property or cause any public nuisances.

24 (4) Porches or access stairways (inside or outside the  
25 structure) shall be made safe for use. Defective porches or  
26 access stairways must be repaired or replaced.

27 (5) Missing and dangerously defective individual steps  
28 shall be replaced or repaired.

29 (6) Chimneys shall be properly lined and repaired to  
30 service the connected facilities.

1           (7)   Roofs shall be leakproof.

2           (8)   Window frames and doors shall fit properly and be  
3 operable.

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

6           (10)   Every single-family residence shall have a complete  
7 bath consisting of a tub, a toilet and a basin. Each kitchen  
8 shall have a sink.

9           (11)   Water pipes, drainpipes and soilpipes shall be  
10 operable and capable of providing the intended service.

11           (12)   Each dwelling shall have a water heater in operable  
12 condition.

13           (13)   Every dwelling unit shall have a room or space for  
14 the preparation and cooking of food, including space and  
15 connections for a stove or other cooking facilities. Adequate  
16 electric service must be provided for connecting electric  
17 refrigerators and other electrical kitchen appliances.

18           (14)   Rotted and defective load carrying members shall be  
19 replaced or repaired.

20           (15)   Termite infested wood members shall be properly  
21 treated or replaced.

22           (16)   Rodent and vermin infestation shall be eliminated  
23 and rat-proofing shall be performed, if necessary.

24           (17)   Every dwelling shall contain heating facilities,  
25 properly designed and installed, in good and safe working  
26 condition, capable of heating those rooms and areas to be  
27 inhabited. Systems must be operated to prevent freezing of  
28 pipes and plumbing.

29           (18)   Habitable rooms shall contain a window opening  
30 directly to the outside.

1           (19) The premises shall be maintained in a clean and  
2       sanitary condition at all times. Refuse should be placed in  
3       proper receptacles for collection.

4       (c) Administration and enforcement.--The housing and  
5       property maintenance code shall also:

6           (1) Establish the responsibilities of owners, operators  
7       and occupants of dwellings, including multifamily dwellings.

8           (2) Provide procedures for the administration and  
9       enforcement of the housing and property maintenance code,  
10      either by the municipality directly or by contractual  
11      arrangements with a county, regional or intergovernmental  
12      code enforcement bureau, including penalties for violations.

13      (d) Adoption of other codes.--A municipality may adopt by  
14      reference a county housing and property maintenance code which  
15      meets the aforementioned minimum standards and which may be or  
16      is in existence at the time the municipality enters into a local  
17      homesteading program as provided for in this act.

18      (e) Review of code.--The housing and property maintenance  
19      code shall be reviewed every 24 months and shall be in effect at  
20      the time the acquiring agency, municipality or municipalities  
21      exercise any provisions of this act.

22      (f) Condemnation.--Any property which has been cited by a  
23      municipality as being substandard and unfit for human habitation  
24      under provisions of a housing and property maintenance code may  
25      be subject to condemnation by that municipality or by an  
26      acquiring agency designated by the municipality under the  
27      following conditions:

28           (1) A preliminary notice outlining the housing and  
29      property maintenance code violations shall be sent by  
30      registered mail to the owner or owners of any property found

1 to be unfit for human habitation.

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

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

16 (4) If the municipality or designated agency determines  
17 that the property which is unfit for human habitation has not  
18 been brought into code compliance under provisions of the  
19 municipality's housing and property maintenance code after  
20 150 days, and after proper notification as provided for in  
21 this act, and if the municipality determines that the  
22 property would be suitable for urban homesteading as set  
23 forth in this act, either through rehabilitation and resale  
24 of the home or building or through demolition and resale of  
25 the land, the municipality or the acquiring agency may  
26 proceed to acquire the property under the act of June 22,  
27 1964 (Sp.Sess., P.L.84, No.6), known as the Eminent Domain  
28 Code.

29 Section 12. Eminent domain.

30 The act of June 22, 1964 (Sp.Sess., P.L.84, No.6), known as

1 the Eminent Domain Code, shall be applicable to acquisitions of  
2 property by municipalities for urban homesteading under this  
3 act.

4 Section 13. Assessments.

5 (a) Schedule.--Notwithstanding the provision of any other  
6 law, the proper authorities may change the assessed valuation of  
7 real property when a property is being rehabilitated as a  
8 homestead property. In such case, the homestead property shall  
9 be assessed for taxing purposes, beginning in the third year of  
10 the land trust agreement, at 35% of market value for the third  
11 year, 70% of market value for the fourth year, and 100% of  
12 market value during the fifth year.

13 (b) Notice of sale.--Whenever a property is sold under this  
14 act as a homestead property, a notice listing the address of the  
15 property and the individual or individuals to whom the property  
16 is to be sold shall be forwarded to the office of the chief  
17 assessor of the county in which the property is located. In  
18 addition, the tax on the property shall be computed at the end  
19 of the third year and each year thereafter on the following  
20 basis:

21	Year 3	35% of assessed value
22	Year 4	70% of assessed value
23	Year 5	100% of assessed value

24 (c) Construction of section.--This section shall not alter  
25 or affect the ratio to market value in effect in any one county  
26 but merely changes the base proportionately as the property is  
27 rehabilitated, at which time the property is taxed on full  
28 market value. All homestead properties shall be assessed prior  
29 to the initial sale and then in the third year of ownership and  
30 again before title passes following the fifth year of occupancy.



1       (d) Waiver of delinquent taxes.--At the request of any  
2 municipality engaged in a homesteading program, any other taxing  
3 bodies shall have the option of waiving any and all delinquent  
4 taxes for the express purpose of homesteading the parcel in  
5 question for the five-year period as provided for in this act.

6 Section 14. Severability.

7       The provisions of this act are severable. If any provision of  
8 this act or its application to any person or circumstance is  
9 held invalid, the invalidity shall not affect other provisions  
10 or applications of this act which can be given effect without  
11 the invalid provision or application.

12 Section 15. Effective date.

13       This act shall take effect in 60 days.