

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 60 Session of 2009

INTRODUCED BY DALEY, HESS, THOMAS, LONGIETTI, SIPTROTH, ADOLPH, BEAR, BELFANTI, BEYER, BISHOP, BRENNAN, BUXTON, CALTAGIRONE, CARROLL, CONKLIN, P. COSTA, DEASY, DePASQUALE, DERMODY, DONATUCCI, FABRIZIO, FRANKEL, FREEMAN, GEIST, GEORGE, GIBBONS, GOODMAN, GRUCELA, HALUSKA, HARKINS, HELM, HENNESSEY, HORNAMAN, JOSEPHS, KIRKLAND, KORTZ, KULA, LENTZ, MANDERINO, MANN, MARSHALL, McCALL, MELIO, MICOZZIE, MILLER, M. O'BRIEN, PASHINSKI, PAYNE, PAYTON, PRESTON, READSHAW, REICHLEY, ROSS, SANTONI, SCAVELLO, SOLOBAY, STABACK, WALKO, WHITE, YUDICHAK, MUNDY, PHILLIPS, DeLUCA AND KILLION, JANUARY 30, 2009

REFERRED TO COMMITTEE ON COMMERCE, JANUARY 30, 2009

AN ACT

1 Amending the act of December 3, 1959 (P.L.1688, No.621),
 2 entitled, as amended, "An act to promote the health, safety
 3 and welfare of the people of the Commonwealth by broadening
 4 the market for housing for persons and families of low and
 5 moderate income and alleviating shortages thereof, and by
 6 assisting in the provision of housing for elderly persons
 7 through the creation of the Pennsylvania Housing Finance
 8 Agency as a public corporation and government
 9 instrumentality; providing for the organization, membership
 10 and administration of the agency, prescribing its general
 11 powers and duties and the manner in which its funds are kept
 12 and audited, empowering the agency to make housing loans to
 13 qualified mortgagors upon the security of insured and
 14 uninsured mortgages, defining qualified mortgagors and
 15 providing for priorities among tenants in certain instances,
 16 prescribing interest rates and other terms of housing loans,
 17 permitting the agency to acquire real or personal property,
 18 permitting the agency to make agreements with financial
 19 institutions and Federal agencies, providing for the purchase
 20 by persons of low and moderate income of housing units, and
 21 approving the sale of housing units, permitting the agency to
 22 sell housing loans, providing for the promulgation of
 23 regulations and forms by the agency, prescribing penalties
 24 for furnishing false information, empowering the agency to
 25 borrow money upon its own credit by the issuance and sale of
 26 bonds and notes and by giving security therefor, permitting

1 the refunding, redemption and purchase of such obligations by
2 the agency, prescribing remedies of holders of such bonds and
3 notes, exempting bonds and notes of the agency, the income
4 therefrom, and the income and revenues of the agency from
5 taxation, except transfer, death and gift taxes; making such
6 bonds and notes legal investments for certain purposes; and
7 indicating how the act shall become effective," providing for
8 the Pennsylvania Housing Affordability and Rehabilitation
9 Enhancement Program.

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

12 Section 1. The act of December 3, 1959 (P.L.1688, No.621),
13 known as the Housing Finance Agency Law, is amended by adding an
14 article to read:

15 ARTICLE IV-D

16 PENNSYLVANIA HOUSING AFFORDABILITY AND REHABILITATION

17 ENHANCEMENT PROGRAM

18 Section 401-D. Definitions.

19 The following words and phrases when used in this article
20 shall have the meanings given to them in this section unless the
21 context clearly indicates otherwise:

22 "Account." The Housing Affordability and Rehabilitation
23 Enhancement Account established in section 406-D.

24 "Persons with disabilities." Individuals with physical,
25 sensory or mental impairment that substantially limits one or
26 more major life activities.

27 "Program." The Pennsylvania Housing Affordability and
28 Rehabilitation Enhancement Program established in section 402-D.

29 Section 402-D. Establishment.

30 There is established the Pennsylvania Housing Affordability
31 and Rehabilitation Enhancement Program to be administered by the
32 agency. The program is dependent upon funds available in the
33 account.

34 Section 403-D. Program.

1 (a) Project types.--The program may provide funding for the
2 following:

3 (1) Projects to provide safe and sanitary dwellings for
4 sale or rent to low-income and moderate-income individuals or
5 families.

6 (2) Projects to increase the availability or quality of
7 housing for elderly persons.

8 (3) Projects to increase the availability or quality of
9 accessible housing for persons with disabilities.

10 (4) Projects to prevent or reduce homelessness.

11 (5) Projects to encourage the development and
12 rehabilitation of distressed neighborhoods.

13 (6) Projects to provide mortgage or rental assistance,
14 including housing counseling, foreclosure prevention and
15 refinancing products.

16 (7) Projects to provide loans, low-interest loans or
17 grants to low-income and moderate-income individuals or
18 families who are owner-occupants for repairs and improvement
19 to sustain or increase the conditions of the home.

20 (b) Purposes.--Money for projects under subsection (a) may
21 be used for the following:

22 (1) Predevelopment activities, including title searches,
23 market studies, project planning, architectural services,
24 legal and engineering studies and related fees.

25 (2) Acquisition and disposition of real or personal
26 property.

27 (3) Site preparation, including demolition of existing
28 structures and remediation of environmental conditions.

29 (4) Construction, reconstruction, alteration and repair
30 of existing structures, improvements and infrastructure.

1 (c) Matching funds.--Funds appropriated to the program may
2 be used for a set-aside for matching funds for counties that
3 have established optional county affordable housing funds under
4 53 Pa.C.S. Ch. 60 (relating to optional affordable housing
5 funding). In order to receive matching funds under this
6 subsection, a county must annually report detailed information
7 as required by the agency on the use of the funds for county
8 projects. The information shall be included in the agency's
9 report under section 405-D.

10 (d) Limitation.--Funds appropriated to the program shall not
11 supplant existing resources dedicated to affordable housing
12 activities. Funds appropriated to the program may be used to
13 support, expand and enhance other programs administered by the
14 agency.

15 (e) Preferences.--The agency may adopt written policies to
16 give preference to projects that meet specific goals, such as
17 energy efficiency, green building standards and comprehensive
18 design strategies, or that target identified needs.

19 (f) Considerations.--The agency shall take into
20 consideration geographical distribution of funds appropriated to
21 the program to ensure that all areas of this Commonwealth
22 participate to the greatest extent possible.

23 (g) Funding for housing program.--The agency shall make
24 available 30% of the funds appropriated under this article for
25 housing programs benefiting households with household incomes
26 which are less than 50% of the median area income.

27 Section 404-D. Plan.

28 (a) General rule.--Within 90 days of the effective date of
29 this section and by March 15 of each year thereafter, the agency
30 shall adopt a plan which establishes the agency's priorities for

1 that year and sets forth the method in which the funds will be
2 distributed that year.

3 (b) Publication.--The proposed plan, including a comment
4 response document, shall be submitted to the chair and minority
5 chair of the Urban Affairs and Housing Committee in the Senate
6 and the chair and minority chair of the Commerce Committee in
7 the House of Representatives, published in the Pennsylvania
8 Bulletin and published on the agency's Internet website for
9 public comment no later than 45 days prior to its adoption under
10 subsection (a). All comments submitted to the agency in writing
11 shall be public records and shall be incorporated into the
12 comment response document.

13 Section 405-D. Reporting.

14 Within 90 days following the close of the first calendar year
15 after the effective date of this article and by July 1 of every
16 year thereafter, the agency shall issue a report containing a
17 financial statement, an itemized list of projects funded and a
18 description of other expenditures in the preceding calendar
19 year. The report shall be submitted to the Governor, the Auditor
20 General and the chair and minority chair of the Urban Affairs
21 and Housing Committee in the Senate and the chair and minority
22 chair of the Commerce Committee in the House of Representatives
23 and published on the agency's Internet website. The report shall
24 be a public record.

25 Section 406-D. Account.

26 There is established in the State Treasury a restricted
27 receipt account known as the Housing Affordability and
28 Rehabilitation Enhancement Account. Interest and any other
29 earnings in the account shall remain in the account. All
30 appropriations and other funds allocated to the program shall be

1 deposited in the account and shall be appropriated to the agency
2 on a continuing basis.
3 Section 407-D. (Reserved).
4 Section 2. This act shall take effect in 90 days.