

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 113

Session of
1981

INTRODUCED BY MILLER, JANUARY 19, 1981

REFERRED TO COMMITTEE ON URBAN AFFAIRS, JANUARY 19, 1981

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.

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

10 Section 2. Legislative intent.

11 The General Assembly of the Commonwealth of Pennsylvania
12 recognizes the need for strengthening the authority of local
13 government in dealing with the problems of housing. The General
14 Assembly recognizes that urban homesteading can be an effective
15 tool in local government's continuing struggle against urban
16 decay. In conjunction with other Federal, State and local
17 programs urban homesteading offers the unique potential of
18 preserving our architectural heritage in addition to slowing and

1 reversing the loss of existing urban housing units. While the
2 concept of urban homesteading is being investigated by some in
3 Pennsylvania it is desirable that such programs have some
4 uniformity of purpose and design. For the concept of urban
5 homesteading to work at an optimum level it will be necessary
6 for such programs to be excluded from certain statutory
7 limitations normally placed on local governments.

8 Section 3. Definitions.

9 The following words and phrases when used in this act shall
10 have, unless the context clearly indicates otherwise, the
11 meanings given to them in this section:

12 "Agency." The Municipal Homestead Agency.

13 "Beneficiary." The designated "homesteader."

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

16 "Code official." The director or individual responsible for
17 the supervision of the bureau or department responsible for code
18 enforcement.

19 "Council." The elected body of officials governing the
20 municipality.

21 "Department." The Department of Community Affairs.

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

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

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

30 "Major code deficiencies." All those deficiencies enumerated

1 under section 10.

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

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

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

9 Section 4. Urban homesteading.

10 (a) There is hereby created the Pennsylvania Urban
11 Homesteading Program to be effective immediately and
12 administered by option of the various municipalities of the
13 Commonwealth, meeting certain requirements set forth in this
14 act, and upon enactment of the necessary ordinances.

15 (b) The governing body of the municipality is hereby
16 authorized to create and appoint members of a board to be known
17 as the Homestead Board, whose purposes shall be to administer
18 the homestead program, except that nothing in this subsection
19 shall be interpreted to prohibit the governing body from
20 assigning such duties, by ordinance, to an existing authority,
21 board or commission or to an existing quasi-governmental
22 nonprofit corporation. Except where council has assigned
23 homestead program duties to an existing authority, board,
24 commission or quasi-governmental nonprofit corporation, the
25 Homestead Board shall be composed of no less than three members.
26 Members of the board shall receive no compensation but shall be
27 reimbursed for expenses actually incurred in connection with
28 performing the duties prescribed by this act and shall by
29 majority vote appoint a secretary of the board, who may or may
30 not be a member of the board. The secretary shall receive such

1 compensation as may be agreed to by the members of the Homestead
2 Board. In addition, the members of the Homestead Board may
3 appoint and fix the compensation of such personnel as may be
4 necessary to implement the homestead program, provided council
5 has made funds available for such purposes.

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

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

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

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

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

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

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

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

6 (8) Recommend to the code official and the code official
7 shall exempt homesteaders who are rehabilitating existing
8 structures, from the enforcement of specific sections of the
9 housing code during the period of rehabilitation or
10 construction, except that no section relating to the
11 individual's health and safety shall be waived.

12 (9) Recommend to the code officer and the code officer
13 may institute public nuisance proceedings against certain
14 deteriorated and blighted structures for demolition, or
15 rehabilitation through homesteading.

16 (10) Provide applicants with a report as to the
17 structural deficiencies of the property and other pertinent
18 information including an estimate of the costs of bringing
19 the property into compliance with the housing and building
20 codes.

21 (11) Recommend to council the preparation of a
22 Municipality Homesteading Map designating the location of
23 properties to be included under the homesteading program to
24 insure that the homesteading program is compatible with
25 existing or proposed programs of other municipality agencies.

26 (d) In each municipality embarking upon an urban
27 homesteading program, the bureau or department charged with the
28 responsibilities of code enforcement, as specified in this act,
29 shall, in conjunction with the municipal planning commission and
30 its staff under the direction of the Homestead Board shall

1 compile and maintain a catalogue of all unoccupied dwellings and
2 vacant lots owned by the municipality or otherwise. From this
3 catalogue shall be determined which parcels and structures can
4 be utilized for building or rehabilitation by homesteaders.

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

10 Section 5. Qualifications.

11 (a) Homestead program property which, for purposes of this
12 act, is limited to that property which, when rehabilitated, is a
13 single family residence, will be offered to qualified applicants
14 at no initial cost on a land trust agreement provided that the
15 applicant:

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

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

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

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

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

29 (i) bring the assigned parcel up to municipal code
30 standards as provided in this act, within 24 months after

1 assignment of the parcel to him;

2 (ii) permit periodic inspections by the code
3 enforcement personnel for determination by the board that
4 reasonable, satisfactory progress is being made by the
5 homesteader in rehabilitating or constructing on the
6 parcel assigned to him; or

7 (iii) live in, occupy, and maintain as a single
8 family dwelling to the municipal code standards the
9 parcel assigned to him for a period of not less than five
10 years.

11 (b) Upon the approval of an applicant, as herein provided,
12 the governing body of the municipality shall negotiate and
13 execute a land trust agreement to the assigned parcel with the
14 prospective homesteader. The agreement shall specify inasmuch
15 detail as reasonably possible a schedule of improvements the
16 homesteader shall make to bring the dwelling into conformity
17 with the municipal housing code within 18 months. The agreement
18 shall be in sufficient detail so that a homesteader shall be
19 able to know what he must do and by when he must do it to
20 fulfill the conditions of the agreement.

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

26 Section 6. Land trust agreement.

27 The agreement between the homesteader and the governing body
28 shall be a land trust agreement and shall contain the following
29 minimal conditions:

30 (1) The beneficiary of the agreement has no right, title

1 or interest in any portion of the real estate, either legal
2 or equitable.

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

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

7 (4) The beneficiary has the duty of maintenance and
8 repair of the property in accordance with the provisions of
9 the agreement.

10 (5) The beneficiary takes the property in an "as is"
11 condition.

12 (6) The beneficiary from the time of the execution of
13 the trust agreement, accepts responsibility for all known or
14 unknown conditions apparent and nonapparent, of the property
15 that were created before the execution of the agreement or
16 are in existence at the time of the execution of the
17 agreement or are coming into or will come into existence
18 either before, during, or after the execution of the
19 agreement.

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

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

25 (9) The beneficiary shall carry insurance on the
26 property as the board may require. As a minimum, the
27 insurance shall be sufficient to pay off any loans taken in
28 accordance with this act and reimburse the municipality for
29 their costs in acquiring the property. The municipality and
30 lending institutions, if applicable, shall be named as joint

1 beneficiary with the homesteader of said policy.

2 (10) The beneficiary within 24 months after the
3 municipality assigns the homesteader a dwelling promises and
4 covenants to bring the assigned dwelling up to municipal
5 building code standards and maintain it at code standards
6 throughout the homestead agreement.

7 (11) The beneficiary promises and covenants to permit
8 periodic inspections at reasonable times and at reasonable
9 frequencies by municipal code enforcement personnel for the
10 determination of the municipality that reasonable and
11 satisfactory progress is being made by the homesteader in
12 rehabilitating the dwelling assigned to the homesteader.

13 (12) The beneficiary promises and covenants to occupy
14 and live in the dwelling assigned to him for a period of not
15 less than five years.

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

beneficiary's residence time from the required five years.

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

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

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

Section 7. Homesteaded land free from Department of Public Welfare liens for public assistance.

During the first five years of a land trust agreement, the real property being homesteaded shall be free of all liens and encumbrances of the Department of Public Welfare for public assistance claims against the beneficiary of the trust agreement and his joint partners.

Section 8. Rehabilitation loans.

(a) To assist local municipalities in the elimination of slums and blighted or deteriorated areas, in preventing the spread of slums, blight or deterioration and in providing maximum opportunity for redevelopment, rehabilitation and conservation of such areas by private enterprise, municipal

1 governing bodies are hereby authorized to obtain low interest
2 loans for the rehabilitation of properties designated as
3 suitable for homesteading.

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

9 (c) The municipal body administering this act is authorized
10 through the utilization of local public and private resources,
11 where feasible to make financing available through the board as
12 herein provided to the homesteaders, to finance the
13 rehabilitation of such property. No financing shall be made
14 available under this section unless:

15 (1) rehabilitation is required to make the property
16 conform to applicable code requirements and to carry out the
17 objectives of a homestead plan for the area;

18 (2) the applicant is unable to secure the necessary
19 funds from other sources upon comparable terms and
20 conditions;

21 (3) the resulting obligation is an acceptable risk
22 taking into consideration the need for the rehabilitation,
23 the security available for the debt and the ability of the
24 applicant to repay the debt;

25 (4) the board has first caused to be prepared a full and
26 complete list of all major code deficiencies and has caused
27 bid specifications and cost estimates for the rectification
28 of these deficiencies to be prepared. Based on those
29 specifications, the board shall advertise for bids, either
30 individually, or collectively with other homestead

1 properties, all those deficiencies the homesteader indicates
2 he cannot rectify by himself, and if the homesteader agrees
3 to the bid to be responsible for the payments of said bid;

4 (5) the resulting bids received shall be from the lowest
5 responsible bidder, and acceptable to the homesteader;

6 (6) the board has caused to be created an inspection
7 schedule, to assure that specifications are being met and
8 that the work is progressing at a sufficient rate to meet the
9 schedule for code deficiency rectification provided under
10 this act; and

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

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

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

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

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

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

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

7 Section 9. Default procedures.

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

22 (b) If a code official in a periodic inspection determines
23 that the homesteader has not or is not complying with the
24 conditions of the land trust agreement, he shall give the
25 homesteader an oral warning that he is in default of the land
26 trust agreement. Within seven days from the date of the oral
27 warning, the code official shall send a written warning to the
28 homesteader. The warning shall contain the information that the
29 homesteader is in default and specify with reasonable
30 particularity what the homesteader must do to bring the parcel

1 into compliance with the land trust agreement. The code official
2 shall also give the homesteader not less than 30 nor more than
3 60 days from the date of the mailing of the written warning to
4 bring the parcel into compliance with the land trust agreement.
5 The code official shall send a copy of the written warning to
6 the board and maintain at least one copy of the warning with the
7 code enforcement bureau. At the expiration of the time period
8 indicated in the written warning notice, or as near to that time
9 as practicable, the code official shall again inspect the parcel
10 to verify the homesteader's compliance with the warning and land
11 trust agreement.

12 (1) If the code official determines that the homesteader
13 has complied with or substantially complied with the warning
14 notice and brought the parcel up to the agreed upon standard,
15 then he shall so inform the homesteader and file a written
16 report of the compliance with the written warning notice in
17 the code enforcement office and with the board.

18 (2) If the code official determines that the homesteader
19 has not complied with or has not substantially complied with
20 the warning notice and has not brought the parcel up to the
21 agreed upon standard, he shall so inform the homesteader and
22 the board.

23 (c) Within ten days of the receipt of the code official's
24 report, the board shall either appoint one of its members or
25 designate a master to hold a hearing to determine why the
26 homesteader has not complied with the condition of the land
27 trust agreement. The purpose of this hearing is curative. The
28 code official shall present his findings to the board member or
29 the designated master. The homesteader shall present his
30 position to the board member or the designated master. Unless

1 the board member or the designated master determines that
2 counsel is necessary, neither party shall be represented by
3 counsel. If the board member or the designated master determines
4 that counsel is necessary and the homesteader is indigent, the
5 board member or designated master shall appoint counsel to
6 represent the homesteader. The board member or designated master
7 shall announce his decision and inform the homesteader. Within
8 seven days from the date of the oral warning, the board member
9 or designated master shall send a written warning to the
10 homesteader. The warning shall contain the information that the
11 homesteader is in default and specify with reasonable
12 particularity what the homesteader must do to bring the parcel
13 into compliance with the land trust agreement. The board member
14 or designated master shall also give the homesteader not less
15 than 30, nor more than 60 days from the date of the mailing of
16 the written warning to bring the parcel into compliance with the
17 land trust agreement. The board member or designated master
18 shall send a copy of the written warning to the board and
19 maintain at least one copy of the warning with the code
20 enforcement bureau. At the expiration of the time period
21 indicated in the written warning notice, or as near to that time
22 as practicable, the code official shall again inspect the parcel
23 to verify the homesteader's compliance with the warning and land
24 trust agreement.

25 (1) If the code official determines that the homesteader
26 has complied with or substantially complied with the warning
27 notice and brought the parcel up to the agreed upon standard,
28 then he shall so inform the homesteader and file a written
29 report of the compliance with the written warning notice in
30 the code enforcement office and with the board.

1 (2) If the code official determines that the homesteader
2 has not complied with or has not substantially complied with
3 the warning notice and has not brought the parcel up to the
4 agreed upon standard, he shall so inform the homesteader and
5 the board.

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

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

27 (2) If the board decides that the homesteader has not
28 fulfilled his responsibilities under the land trust
29 agreement, the board may declare him in breach of the land
30 trust agreement and extinguish his personal property right in

1 the land trust agreement and shall so inform the homesteader.

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

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

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

1 procedures against him. If the homesteader does not vacate
2 the premises within 21 days after the court enters judgment,
3 the board shall initiate summary ejectment proceedings
4 against him.

5 Section 10. Code enforcement.

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

13 (b) The housing code shall 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 shall be replaced or repaired. This
20 includes the replacement of defective wood lintels and
21 defective wood sills.

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

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

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

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

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

5 (7) Roofs shall be leakproof.

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

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

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

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

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

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

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

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

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

28 (17) Every dwelling shall 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
2 pipes and plumbing.

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

5 (19) The premises shall 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
10 and occupants of dwellings including multifamily 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,
14 regional or inter-governmental code enforcement bureau,
15 including penalties for violations.

16 (d) This section in no way precludes 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 shall be in effect at the time the acquiring agency,
23 municipality or municipalities exercise any provisions of this
24 act.

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

1 (1) A preliminary notice outlining the housing code
2 violations shall be sent by registered mail to the owner or
3 owners of any property found to be unfit for human
4 habitation.

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

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

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

known as the "Eminent Domain Code," which requires that the municipality or acquiring agency file in court a declaration of taking, with such security as may be required under section 403(a) of the Eminent Domain Code and thereupon the title which the condemnor acquires in the property condemned shall pass to the condemnor on the date of such filing, and the condemnor shall be entitled to possession as provided in section 407 of the Eminent Domain Code (including residential buildings with more than three family units where economically unfeasible to rehabilitate).

Section 11. Eminent domain.

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

Section 12. Assessments.

(a) Notwithstanding the provision of any other law, the proper authorities may change the assessed valuation of real property when a property is being rehabilitated as a homestead property. In such case the homestead property will be assessed for taxing purposes at 20% of market value the first year and at 40%, 60%, 80%, 100% during the successive four years respectively.

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

1	(1)	Year 1	20% of assessed value
2	(2)	Year 2	40% of assessed value
3	(3)	Year 3	60% of assessed value
4	(4)	Year 4	80% of assessed value
5	(5)	Year 5	100% of assessed value

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

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

18 Section 13. Severability.

19 If any provision of this act or the application thereof to
20 any person or circumstances is held invalid, such invalidity
21 shall not affect other provisions or applications of the act
22 which can be given effect without the invalid provision or
23 application, and to this end the provisions of this act are
24 declared to be severable.

25 Section 14. Effective date.

26 This act shall take effect immediately.