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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**SENATE BILL**

**No. 790**      Session of  
2003

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INTRODUCED BY KUKOVICH, MELLOW, O'PAKE, LAVALLE, WOZNIAK, MUSTO,  
HUGHES, KASUNIC, TARTAGLIONE, COSTA, LOGAN, KITCHEN, STACK,  
FUMO, WAGNER, BOSCOLA, C. WILLIAMS, A. WILLIAMS, SCHWARTZ,  
FERLO, STOUT, EARLL, ORIE AND CONTI, JUNE 24, 2003

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REFERRED TO COMMUNITY AND ECONOMIC DEVELOPMENT, JUNE 24, 2003

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AN ACT

1 Providing for a residential neighborhood enhancement program to  
2 be administered by the Department of Community and Economic  
3 Development.

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 Elm Street  
8 Act.

9 Section 2. Definitions.

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

13 "Department." The Department of Community and Economic  
14 Development of the Commonwealth.

15 "Established residential neighborhood." A defined geographic  
16 area which has consisted of buildings and structures for housing  
17 individuals and families in close proximity to a commercial

1 district and which has existed as a residential neighborhood  
2 since before 1961.

3 "Main Street Program." The program administered by the  
4 Department of Community and Economic Development designed to  
5 assist a community's downtown economic development effort  
6 through the establishment of a local organization dedicated to  
7 downtown revitalization and management of downtown  
8 revitalization by hiring a full-time professional downtown  
9 coordinator.

10 "Program." The Elm Street Program as established in section  
11 3.

12 Section 3. Elm Street Program.

13 (a) Establishment.--There is established an Elm Street  
14 Program within the department which shall assist municipalities  
15 in preparing and implementing a revitalization strategy for  
16 established residential neighborhoods either in the vicinity of  
17 a Main Street Program project or in close proximity to an  
18 existing commercial district.

19 (b) Applications.--The department shall prepare application  
20 forms for the grant program established in this act and award  
21 grants to municipalities and other eligible entities based on  
22 the requirements in subsection (c). The department shall require  
23 that a map be furnished with all applications clearly  
24 identifying the established residential neighborhood and  
25 demonstrating its close proximity to a commercial district.

26 (c) Program requirements.--The program shall:

27 (1) Provide basic grants for a maximum of five years per  
28 project for administrative costs associated with the hiring  
29 of a professional Elm Street Manager, who may serve as an  
30 assistant to the Main Street Manager if a Main Street Program

1 exists within a municipality.

2 (2) Provide residential reinvestment grants for  
3 infrastructure and structural improvements, including, but  
4 not limited to, streets, street lights, trees, exteriors of  
5 buildings and sidewalks or other pedestrian-oriented  
6 features.

7 (3) Provide planning and development grants for:

8 (i) Marketing and promoting urban residential  
9 living.

10 (ii) Leveraging additional private and public  
11 investment.

12 (iii) Promoting home ownership and other housing  
13 options.

14 (iv) Addressing social and economic concerns  
15 including, but not limited to, crime, blight, employment  
16 opportunities and public services and amenities.

17 (v) Achieving consistency, whenever appropriate,  
18 with existing commercial and residential revitalization  
19 efforts.

20 (4) Provide an assessment of the applying  
21 municipalities' need for the following:

22 (i) The establishment of a neighborhood improvement  
23 district as defined in the act of December 20, 2000  
24 (P.L.949, No.130), known as the Neighborhood Improvement  
25 District Act.

26 (ii) A review of local comprehensive plans and  
27 zoning and other land use ordinances to foster the  
28 viability of established residential neighborhoods, with  
29 a balanced mix of commercial, civic, employment and  
30 residential uses, with particular attention to a

1 diversity of housing options.

2 (iii) A review of educational and recreational  
3 opportunities and facilities.

4 (d) Eligibility.--Municipalities or their designated  
5 agencies must meet the following criteria:

6 (1) Have an established residential neighborhood in need  
7 of revitalization in close proximity to a commercial  
8 district.

9 (2) Have expressed support by local residents, merchants  
10 and government officials.

11 (3) Have ability to provide a minimum of a 10% match in  
12 financial and/or in-kind support for any department grants  
13 from other public or private sources based upon departmental  
14 guidelines. The department may waive or reduce the matching  
15 requirement if it determines such requirement would  
16 constitute a hardship upon the municipality or an agency  
17 designated by the municipality. A hardship exists if the  
18 municipality meets one of the following criteria:

19 (1) The municipality is declared as financially  
20 distressed under the act of July 10, 1987 (P.L.246, No.47),  
21 known as the Municipalities Financial Recovery Act.

22 (2) The matching requirements for the application would  
23 exceed 5% of the municipality's annual operating budget.

24 (3) Part or all of the established residential  
25 neighborhood identified in the application is participating  
26 in the Pennsylvania Weed and Seed Program as administered by  
27 the Pennsylvania Commission on Crime and Delinquency.

28 (4) A minimum of 20% of the municipality's population  
29 falls below 150% of the Federal poverty level.

30 (e) Multiple projects.--The department may approve more than

1 one project within the boundaries of a municipality. Multiple  
2 projects may occur simultaneously or at different periods of  
3 time.

4 (f) Cooperative projects.--The department may consider  
5 applications submitted by two or more municipalities as a single  
6 application for a single project area.

7 (g) Priority projects.--The department shall give priority  
8 to projects with an established residential neighborhood that  
9 was already in existence prior to 1951.

10 (h) Limits.--The department shall establish limits on the  
11 amount of money available per project area so as to distribute  
12 the available funds as fairly as possible throughout this  
13 Commonwealth.

#### 14 Section 4. Limitations.

15 (a) Program limits.--In no case shall the aggregate amount  
16 of grants in any fiscal year exceed the amount of the  
17 appropriation to the department for the program in that fiscal  
18 year. The provision of grants under this act shall in no way  
19 constitute an entitlement derived from the Commonwealth or a  
20 claim on any other funds of the Commonwealth.

21 (b) Prohibitions.--No funds from this program shall be  
22 expended to develop or convert farmland to residential,  
23 commercial or industrial uses. Farmland is any land that  
24 supports, or land with a recent history of supporting, the  
25 commercial production of agricultural crops, livestock or  
26 livestock products, poultry products, milk or dairy products,  
27 fruit or other horticultural products.

#### 28 Section 5. Effective date.

29 This act shall take effect immediately.