

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1573 Session of 2023

INTRODUCED BY CIRESI, ROZZI, MADDEN, SANCHEZ, BOYD, SMITH-WADE-EL, PROBST, HILL-EVANS, HARKINS, BURGOS, KULIK, DELLOSO, HOWARD, SCHLOSSBERG, KINSEY, GUENST, BOROWSKI, PARKER, D. WILLIAMS, GREEN, NEILSON, FREEMAN, OTTEN, CERRATO, JAMES, SAPPEY, SALISBURY, TAKAC AND WEBSTER, JULY 18, 2023

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, APRIL 9, 2024

AN ACT

1 Providing for the redevelopment of historic and older buildings;
2 and establishing the Historic and Older Building
3 Redevelopment Assistance Grant Program and the Historic and
4 Older Building Redevelopment Fund.

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 Historic and
9 Older Building Redevelopment Assistance Grant Program Act.

10 Section 2. Definitions.

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

14 "Applicant." A property owner or developer that submits an
15 application under section 3(d).

16 "Application." An application submitted under section 3(d).

17 "Commission." The Pennsylvania Historical and Museum

1 Commission.

2 "Department." The Department of Community and Economic  
3 Development of the Commonwealth.

4 "Developer." A person that promotes or constructs  
5 redevelopment projects and is engaged in the development of real  
6 estate.

7 "Fund." The Historic and Older Building Redevelopment Fund  
8 established under section 4(a).

9 "Grant." A grant awarded under this act.

10 "Historic" and "older building." A building located in this  
11 Commonwealth and documented as being listed in or eligible for  
12 the National Register of Historic Places or contributing to a  
13 National Register listed or eligible historic district.

14 "Historic character." All of the visual aspects and physical  
15 features that comprise the appearance of a historic and older  
16 building such as the overall shape of the building, its  
17 materials, craftsmanship, decorative details, interior spaces  
18 and features, as well as the various aspects of its site and  
19 environment.

20 "Program." The Historic and Older Building Redevelopment  
21 Grant Program established under section 3(a).

22 "Project." The redevelopment, rehabilitation or enhancement  
23 of a historic and older building for which a developer or a  
24 property owner seeks a grant under this act.

25 "Property owner." An owner of record evidenced by a publicly  
26 recorded deed and an equitable owner that can demonstrate an  
27 ownership interest in a property as provided by law, including:

28 (1) an inherited interest in a property;

29 (2) a party to an agreement of sale or long-term  
30 leasehold agreement;

1 (3) an equitable owner of record prior to a fraudulent  
2 conveyance of the property; and

3 (4) a trust beneficiary or a person holding a partial  
4 ownership interest in the property such as tenancy by the  
5 entirety, joint tenancy, tenancy in common and life estate.

6 "Redevelopment plan." A plan that provides for the  
7 improvement of a historic and older building and meets the  
8 requirements under section 3(e).

9 Section 3. Historic and Older Building Redevelopment Assistance  
10 Grant Program.

11 (a) Establishment.--The Historic and Older Building  
12 Redevelopment Assistance Grant Program is established within the  
13 department.

14 (b) Administration.--The program shall be administered by  
15 the department.

16 (c) Purpose.--The purpose of the program shall be to issue  
17 grants for the redevelopment, rehabilitation or enhancement of  
18 historic and older buildings across this Commonwealth.

19 (d) Application.--An applicant must submit a written grant  
20 application to the department in a manner prescribed by the  
21 department. The application must include the following  
22 information:

23 (1) A detailed description of the project and how the  
24 grant would be used, including any private or public sector  
25 participation.

26 (2) A copy of the redevelopment plan required under  
27 subsection (e).

28 (3) A statement of the ability to produce income once  
29 the project is complete and an explanation of how the project  
30 will contribute significantly to economic and community

1 redevelopment or the revitalization of adjacent communities.

2 (4) An explanation of how the project will provide for  
3 historic preservation or commercial or recreational  
4 opportunities for the public.

5 (5) If the project includes the purchase of property, an  
6 identification of the intended use of the property and a  
7 timeline for redevelopment of the property.

8 (6) The total cost of the project.

9 (7) A detailed description of the practices the  
10 applicant will perform to improve or maintain the property  
11 and the historic character of the property.

12 (8) A statement of favorable consideration or  
13 endorsement of the project from a local nonprofit economic or  
14 community development organization.

15 (9) A statement from the commission with a determination  
16 that the property is a historic and older building.

17 (10) Evidence of a firm commitment from the developer or  
18 property owner to use the project upon completion.

19 (11) If applicable, how the redevelopment will increase  
20 accessibility for people with disabilities.

21 (12) Other information that the department may require.

22 (e) Redevelopment plan.--An applicant that applies for a  
23 grant shall prepare a redevelopment plan. The redevelopment  
24 plan, at a minimum, shall:

25 (1) Establish the project use as commercial, industrial,  
26 transportation or multifamily residential.

27 (2) Involve at least one of the following primary  
28 activities:

29 (i) Mechanical improvements.

30 (ii) Electrical improvements.

- 1 (iii) Plumbing system improvements.
- 2 (iv) Fire protection system improvements.
- 3 (v) Building egress or accessibility improvements.
- 4 (vi) Structural improvements.

5 (3) Clearly designate the property and areas included  
6 within the redevelopment plan for the property.

7 (4) Identify the economic impact on the improved area,  
8 the surrounding neighborhood and the municipality in which  
9 the property is located.

10 (5) Identify any Federal or State law applicable to  
11 historic building preservation or restoration and discuss  
12 plans for compliance.

13 (6) Provide any additional information as required by  
14 the department for redevelopment plans.

15 (f) Publication and notice.--The department shall transmit  
16 notice of the program's availability to the Legislative  
17 Reference Bureau for publication in the next available issue of  
18 the Pennsylvania Bulletin after the effective date of this  
19 subsection.

20 (g) Department action.--

21 (1) The department shall review an application and,  
22 within 90 days of receipt of an application, approve or  
23 disapprove the application.

24 (2) In reviewing grant applications, the department  
25 shall consider the following:

26 (i) Whether the project proposed to be funded is  
27 authorized under this act.

28 (ii) Whether the application complies with this act.

29 (iii) Consistency of the project with the  
30 redevelopment plan required under subsection (e) for the

1 area in which the property is located.

2 (iv) Additional historic preservation, commercial or  
3 recreational opportunities for the public provided by the  
4 project.

5 (v) Significant contribution by the project to the  
6 municipality's economic and community redevelopment or  
7 the revitalization of adjacent communities.

8 (vi) The viability of the redevelopment plan  
9 required under subsection (e).

10 (vii) The level of public and private commitment and  
11 other resources available for the project.

12 (viii) Other criteria that the department considers  
13 relevant.

14 (h) Award of grants.--

15 (1) The department may issue a grant award to an  
16 approved applicant for a project that contributes to the  
17 redevelopment or revitalization of historic and older  
18 buildings throughout this Commonwealth that meet any of the  
19 following purposes:

20 (i) Provide for activities on the property  
21 consistent with the project's redevelopment plan.

22 (ii) Provide for the demolition of buildings,  
23 structures or other facilities on the property that are  
24 not historic and older buildings or do not contribute to  
25 the property's historic character and are inconsistent  
26 with the project's redevelopment plan.

27 (iii) Provide for the acquisition of property or the  
28 assembly of property consistent with the project's  
29 redevelopment plan.

30 (iv) Provide public infrastructure and public

1 facility improvements to the property consistent with the  
2 project's redevelopment plan.

3 (v) Provide for the improvement or maintenance of  
4 the historical nature and traditional style of properties  
5 within the municipality.

6 (2) The department shall award a grant of no less than  
7 \$50,000 and no more than \$500,000 or an amount equal to 30%  
8 of the total project cost, whichever is less, to each  
9 eligible applicant, subject to the availability of funding.

10 (3) A project must be completed no later than two years  
11 after the date of the grant. The department may grant a  
12 redevelopment plan extension for up to six months.

13 Section 4. Historic and Older Building Redevelopment Fund.

14 (a) Establishment.--The Historic and Older Building  
15 Redevelopment Fund is established as a nonlapsing fund within  
16 the State Treasury. The fund shall be used by the department to  
17 award grants in accordance with this act and shall be subject to  
18 appropriations by the General Assembly.

19 (b) Alternative funding.--The department may accept  
20 alternative funding, including Federal funds, grants and  
21 donations from any source to assist with the goals of this act.  
22 All money received by the department under this subsection shall  
23 be deposited into the fund.

24 (c) Administrative expenses.--

25 (1) The commission may use no more than 3% of funds  
26 allocated for the program for administrative costs associated  
27 with the program.

28 (2) The department may use no more than 3% of funds  
29 allocated for the program for administrative costs associated  
30 with the program.

1 (D) TRANSFER TO GENERAL FUND.--ANY MONEY IN THE FUND THAT IS <--  
2 UNEXPENDED, UNENCUMBERED OR UNCOMMITTED TWO YEARS AFTER THE  
3 EFFECTIVE DATE OF THIS SECTION SHALL BE TRANSFERRED TO THE  
4 GENERAL FUND.

5 Section 5. Recapture.

6 The department may recapture all or a portion of a grant  
7 award, as determined by the department, if the project is not  
8 timely completed as provided in section 3(h) (3).

9 Section 6. Reports.

10 The department shall submit a report to the General Assembly  
11 on expenditures from the fund and the progress of economic  
12 development and rehabilitation of historic and older buildings  
13 throughout this Commonwealth following the expiration of THE <--  
14 GRANT MAKING AUTHORITY UNDER this act. The report shall include  
15 the following information:

16 (1) The number of projects.

17 (2) The types of projects.

18 (3) The number and amount of grants.

19 (4) The economic impact of the program.

20 (5) Recommendations for the continuation or expansion of  
21 the program.

22 (6) Any other information required by the department.

23 Section 7. Guidelines.

24 The department shall, in consultation with the commission,  
25 develop guidelines necessary to implement this act.

26 Section 8. Expiration of grant authority.

27 The department may not award grants beginning two years after  
28 the effective date of this section.

29 Section 9. Effective date.

30 This act shall take effect in 180 days.