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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1535 Session of  
2015

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INTRODUCED BY KOTIK, CALTAGIRONE, MURT, DAVIS, D. COSTA,  
O'BRIEN, DRISCOLL, SCHLOSSBERG, TAYLOR, READSHAW, SCHREIBER,  
ROZZI, YOUNGBLOOD, MILLARD, McNEILL, SNYDER, DEASY, ACOSTA,  
MATZIE, MAHONEY, HARHAI, TOOHL, LONGIETTI, PASHINSKI, KORTZ  
AND SAINATO, SEPTEMBER 8, 2015

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REFERRED TO COMMITTEE ON COMMERCE, SEPTEMBER 8, 2015

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AN ACT

1 Amending Title 64 (Public Authorities and Quasi-Public  
2 Corporations) of the Pennsylvania Consolidated Statutes, in  
3 Commonwealth Financing Authority, further providing for  
4 indebtedness; and establishing the Blight Demolition Bond  
5 Issuance Program.

6 The General Assembly of the Commonwealth of Pennsylvania  
7 hereby enacts as follows:

8 Section 1. Section 1543(b) and (d) of Title 64 of the  
9 Pennsylvania Consolidated Statutes are amended to read:

10 § 1543. Indebtedness.

11 \* \* \*

12 (b) Program limitations.--Indebtedness incurred by the  
13 authority under subsection (a) shall not, in aggregate, exceed  
14 any of the following:

15 (1) \$300,000,000 for the program established in section  
16 1551 (relating to Business in Our Sites Program).

17 (2) \$150,000,000 for the program established in section  
18 1552 (relating to First Industries Program).

1 (3) \$60,000,000 for the program established in section  
2 1557 (relating to New Pennsylvania Venture Capital Investment  
3 Program).

4 (4) \$150,000,000 for the program established in section  
5 1555 (relating to Building Pennsylvania Program).

6 (5) \$75,000,000 for the program established in 12  
7 Pa.C.S. Ch. 29.

8 (6) \$250,000,000 for the program established in section  
9 1554 (relating to New Pennsylvania Venture Guarantee  
10 Program).

11 (7) \$100,000,000 for the program established in section  
12 1556 (relating to Tax Increment Financing Guarantee Program).

13 (8) \$50,000,000 for the program established in section  
14 1553 (relating to Second Stage Loan Program).

15 (9) \$500,000,000 for the program established in section  
16 1559 (relating to Blight Demolition Bond Issuance Program).

17 \* \* \*

18 (d) Exception.--Subsection (c) shall not apply to the  
19 aggregate amount of indebtedness incurred by the authority,  
20 including through the issuance of bonds, for the following  
21 programs:

22 (1) The program established in section 1553.

23 (2) The program established in section 1554.

24 (3) The program established in section 1556.

25 (4) The program established in section 1559.

26 \* \* \*

27 Section 2. Title 64 is amended by adding a section to read:  
28 § 1559. Blight Demolition Bond Issuance Program.

29 (a) Establishment.--There is established a program to be  
30 known as the Blight Demolition Bond Issuance Program. The

1 program shall provide grants, to be awarded on a competitive  
2 basis and funded by the issuance of bonds, to combat the problem  
3 of neighborhood blight by demolishing blighted properties.

4 (b) Application for grants.--A municipality may submit an  
5 application to the authority requesting a grant to demolish a  
6 blighted property or blighted properties. The application shall  
7 be on a form required by the board and shall include or  
8 demonstrate all of the following:

9 (1) The name of the municipality and the name, business  
10 address, telephone number and other relevant contact  
11 information of the individual making the application on  
12 behalf of the municipality.

13 (2) The location of the blighted property or blighted  
14 properties.

15 (3) The name, business address, telephone number and  
16 other relevant contact information of the contractor or other  
17 person that will coordinate the demolition efforts for the  
18 blighted property or blighted properties.

19 (4) A general plan regarding the demolition efforts for  
20 the blighted property or blighted properties.

21 (5) A cost estimate of the demolition efforts for the  
22 blighted property or blighted properties.

23 (6) The amount of money requested in relation to the  
24 number of blighted properties that the municipality plans to  
25 demolish.

26 (7) The prevalence of blighted properties in the  
27 municipality.

28 (8) Any other information required by the board.

29 (c) Review and approval of application.--The board shall  
30 review the application under this section and shall approve the

1 application if it determines that all the requirements under  
2 subsection (b) have been met and that, on a competitive basis,  
3 the municipality has demonstrated:

4 (1) The benefit of having a dedicated funding source for  
5 the demolition of blighted properties in the municipality.

6 (2) A financial need for the grant.

7 (3) The efficacy and cost effectiveness of the general  
8 plan regarding the demolition efforts in the municipality.

9 (4) The satisfaction of any other condition imposed by  
10 the board.

11 (d) Award of grant.--If the board approves the application  
12 under this section, the authority shall award the grant subject  
13 to the limitations under subsection (e).

14 (e) Limitations.--

15 (1) An approved grant under this section shall only be  
16 equal to or less than the amount requested in the  
17 application.

18 (2) No more than 5% of the funds made available for the  
19 program authorized by this section may be awarded to a  
20 particular municipality.

21 (f) Definition.--As used in this section, the term "blighted  
22 property" means any of the following:

23 (1) Premises that, because of physical condition or use,  
24 are regarded as a public nuisance at common law or have been  
25 declared a public nuisance in accordance with the local  
26 housing, building, plumbing, property maintenance, fire or  
27 related codes or ordinances, including nuisance or dangerous  
28 building ordinances.

29 (2) Premises that, because of physical condition, use or  
30 occupancy, are considered an attractive nuisance to children,

1 including, but not limited to, an abandoned well, shaft,  
2 basement, excavation and unsafe fence or structure.

3 (3) A dwelling that, because it is dilapidated,  
4 unsanitary, unsafe, vermin-infested or lacking in the  
5 facilities and equipment required by the housing code of the  
6 municipality, has been designated by the department  
7 responsible for enforcement of the code as unfit for human  
8 habitation.

9 (4) A structure that is a fire hazard or otherwise  
10 dangerous to the safety of persons or property.

11 (5) A structure from which the utilities, plumbing,  
12 heating, sewerage or other facilities have been disconnected,  
13 destroyed, removed or rendered ineffective so that the  
14 property is unfit for its intended use.

15 (6) A vacant or unimproved lot or parcel of ground in a  
16 predominantly built-up neighborhood which by reason of  
17 neglect or lack of maintenance has become a place for  
18 accumulation of trash or debris or a haven for rodents or  
19 other vermin.

20 (7) An unoccupied property that has been or becomes tax  
21 delinquent for a period of two years.

22 (8) A property that is vacant, but is not tax  
23 delinquent, and that has not been rehabilitated within one  
24 year of receipt of notice to rehabilitate from the  
25 appropriate code enforcement agency.

26 Section 3. This act shall take effect in 120 days.