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 AND NEILSON, JULY 18, 2023

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JULY 18, 2023

AN ACT

- 1 Providing for the redevelopment of historic and older buildings;
- establishing the Historic and Older Building Redevelopment
- 3 Assistance Grant Program and the Historic and Older Building
- 4 Redevelopment Fund; promulgating regulations; and making a
- 5 transfer.
- 6 The General Assembly of the Commonwealth of Pennsylvania
- 7 hereby enacts as follows:
- 8 Section 1. Short title.
- 9 This act shall be known and may be cited as the Historic and
- 10 Older Building Redevelopment Assistance Grant Program Act.
- 11 Section 2. Definitions.
- 12 The following words and phrases when used in this act shall
- 13 have the meanings given to them in this section unless the
- 14 context clearly indicates otherwise:
- 15 "Applicant." A person who submits an application under
- 16 section 3(d).
- 17 "Application." An application submitted under section 3(d).
- 18 "Department." The Department of Community and Economic

- 1 Development of the Commonwealth.
- 2 "Developer." A person whose purpose is the promotion or
- 3 construction of redevelopment projects and who is engaged in the
- 4 development of real estate.
- 5 "Fund." The Historic and Older Building Redevelopment Fund
- 6 established under section 4(a).
- 7 "Grant." A grant awarded under this act.
- 8 "Historic building." A building located in this Commonwealth
- 9 that qualifies as a certified historic structure under 26 U.S.C.
- 10 \S 47(c)(3) (relating to rehabilitation credit).
- 11 "Historic nature and traditional style." An older building
- 12 or qualified historic building which may include architectural
- 13 detailing, engineering achievements, vernacular style or few
- 14 modifications affecting the original historic configuration and
- 15 appearance of the property which offers commercial, cultural or
- 16 community development to the municipality.
- "Older building." A building that is no less than 50 years
- 18 old.
- 19 "Program." The Historic and Older Building Redevelopment
- 20 Grant Program established under section 3(a).
- 21 "Project." The redevelopment, rehabilitation or enhancement
- 22 of a historic or older building for which a developer seeks a
- 23 grant under this act.
- 24 "Qualified municipality." A municipality with a median year
- 25 of structures built in 1955 or earlier.
- 26 "Redevelopment plan." A plan that provides for the
- 27 improvement of a historic or older building and meets the
- 28 requirements under section 3(e).
- 29 Section 3. Historic and Older Building Redevelopment Assistance
- 30 Grant Program.

- 1 (a) Establishment. -- The Historic and Older Building
- 2 Redevelopment Assistance Grant Program is established within the
- 3 department.
- 4 (b) Administration. -- The program shall be administered by
- 5 the department.
- 6 (c) Purpose. -- The purpose of the program shall be to issue
- 7 grants to eligible developers or property owners for the
- 8 redevelopment, rehabilitation or enhancement of historic and
- 9 older buildings in qualified municipalities across this
- 10 Commonwealth.
- 11 (d) Application. -- An applicant must submit a written grant
- 12 application to the department in a manner prescribed by the
- 13 department. The application must include the following
- 14 information:
- 15 (1) A detailed description of the project and how the
- grant would be used, including any private sector
- 17 participation.
- 18 (2) A copy of the redevelopment plan required under
- 19 subsection (e).
- 20 (3) A statement of the ability to produce income once
- 21 the project is complete and an explanation of how the project
- will contribute significantly to economic and community
- 23 redevelopment or the revitalization of adjacent communities.
- 24 (4) An explanation of how the project will provide for
- 25 historic preservation or commercial or recreational
- opportunities for the public.
- 27 (5) If the project includes the purchase of property, an
- identification of the intended use of the property and a
- timeline for redevelopment of the property.
- 30 (6) The total cost of the project.

- 1 (7) A detailed description of the practices the
- 2 applicant will implement and maintain to improve or maintain
- 3 the property and improve or maintain the historic nature and
- 4 traditional style of the property.
- 5 (8) A statement of favorable consideration or
- 6 endorsement from a local nonprofit economic or community
- 7 development organization.
- 8 (9) Evidence of a firm commitment from the developer or
- 9 property owner to use the project upon completion.
- 10 (10) If applicable, how the redevelopment will increase
- 11 accessibility for people with disabilities.
- 12 (11) Other information that the department may require.
- 13 (e) Redevelopment plan. -- An applicant that applies for a
- 14 grant shall prepare a redevelopment plan. The redevelopment
- 15 plan, at a minimum, shall:
- 16 (1) Establish the project use of commercial, industrial,
- 17 transportation or multifamily residential purposes in a
- 18 qualified municipality.
- 19 (2) Involve at least one of the following primary
- 20 activities:
- 21 (i) Mechanical improvements.
- 22 (ii) Electrical improvements.
- 23 (iii) Plumbing system improvements.
- 24 (iv) Fire protection system improvements.
- 25 (v) Building egress or accessibility improvements.
- 26 (3) Clearly designate the property and areas included
- within the redevelopment plan for the property.
- 28 (4) Identify the economic impact on the improved area,
- 29 the surrounding neighborhood and the municipality in which
- 30 the property is located.

- 1 (5) Provide any additional information as required by
- 2 the department for redevelopment plans.
- 3 (f) Publication and notice. -- The department shall transmit
- 4 notice of the program's availability to the Legislative
- 5 Reference Bureau for publication in the next available issue of
- 6 the Pennsylvania Bulletin.
- 7 (g) Department action.--
- 8 (1) The department shall review an application and,
- 9 within 30 days of receipt of an application, approve or
- 10 disapprove the application.
- 11 (2) In reviewing grant applications, the department
- 12 shall consider the following:
- 13 (i) Whether the project proposed to be funded is
- 14 authorized under this act.
- 15 (ii) Whether the application complies with this act.
- 16 (iii) Consistency of the project with the
- 17 redevelopment plan required under subsection (e) for the
- area in which the property is located.
- 19 (iv) Additional historic preservation, commercial or
- 20 recreational opportunities for the public provided by the
- 21 project.
- 22 (v) Significant contribution by the project to the
- 23 municipality's economic and community redevelopment or
- the revitalization of adjacent communities.
- 25 (vi) The viability of the redevelopment plan
- required under subsection (e).
- 27 (vii) The level of public and private commitment and
- other resources available for the project.
- 29 (viii) Other criteria that the department considers
- 30 relevant.

1 (h) Award of grants.--

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- 2 (1) The department may issue a grant award to an
 3 approved applicant for a project that contributes to the
 4 redevelopment or revitalization of historic and older
 5 buildings throughout this Commonwealth that meet any of the
 6 following purposes:
 - (i) Provide for activities on the property consistent with the project's redevelopment plan.
 - (ii) Provide for the demolition of buildings, structures or other facilities on the property that are inconsistent with the project's redevelopment plan.
 - (iii) Provide for the acquisition of property or the assembly of property consistent with the project's redevelopment plan.
 - (iv) Provide public infrastructure and public facility improvements to the property consistent with the project's redevelopment plan.
 - (v) Provide for the improvement or maintenance of the historical nature and traditional style of properties within the municipality.
- 21 (2) The department shall award a grant of no less than 22 \$50,000 and no more than \$200,000 to each eligible applicant, 23 subject to the availability of funding.
- 24 (3) A project must be completed no later than two years 25 after the date of the grant. The department may grant a 26 redevelopment plan extension for up to six months.
- 27 Section 4. Historic and Older Building Redevelopment Fund.
- 28 (a) Establishment.--The Historic and Older Building
 29 Redevelopment Fund is established as a nonlapsing fund within
 30 the State Treasury. The fund shall be used by the department to

- 1 award grants in accordance with this act.
- 2 (b) Initial transfer. -- No later than July 1, 2023,
- 3 \$25,000,000 shall be transferred from the General Fund to the
- 4 fund.
- 5 (c) Alternative funding. -- The department may solicit and
- 6 accept alternative funding, including Federal funds, grants and
- 7 donations from any source to assist with the goals of this act.
- 8 All money received by the department under this subsection shall
- 9 be deposited into the fund.
- 10 (d) Appropriation. -- All money deposited into the fund and
- 11 the interest that the money accrues is appropriated on a
- 12 continuing basis to the department to award grants in accordance
- 13 with this act.
- 14 Section 5. Reports.
- The department shall submit a report to the General Assembly
- 16 on expenditures from the fund and the progress of economic
- 17 development and rehabilitation of historic and older buildings
- 18 throughout this Commonwealth following the expiration of this
- 19 act. The report shall include the following information:
- 20 (1) The number of projects.
- 21 (2) The types of projects.
- 22 (3) The number and amount of grants.
- 23 (4) The economic impact of the program.
- 24 (5) Recommendations for the continuation or expansion of
- 25 the program.
- 26 (6) Any other information required by the department.
- 27 Section 6. Rules and regulations.
- The department may promulgate rules and regulations necessary
- 29 to implement this act.
- 30 Section 7. Expiration.

- 1 This act shall expire two years following the effective date
- 2 of this section.
- 3 Section 8. Effective date.
- 4 This act shall take effect in 180 days.