

No. 2004-7

AN ACT

HB 500

Providing for a residential neighborhood enhancement program to be administered by the Department of Community and Economic Development; and making an allocation of appropriated funds.

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

Section 1. Short title.

This act shall be known and may be cited as the Elm Street Program Act.

Section 2. Definitions.

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

“Department.” The Department of Community and Economic Development of the Commonwealth.

“Established residential neighborhood.” A defined geographic area which has consisted of buildings and structures for housing individuals and families which has existed as a residential neighborhood since before 1961.

“Main Street Program.” The program administered by the Department of Community and Economic Development designed to assist a community’s downtown economic development effort through the establishment of a local organization dedicated to downtown revitalization and management of downtown revitalization by hiring a full-time professional downtown coordinator.

“Program.” The Elm Street Program as established in section 3.

Section 3. Elm Street Program.

(a) Establishment.—There is established the Elm Street Program within the department which shall assist municipalities in preparing and implementing a revitalization strategy for established residential neighborhoods which are in close proximity to either a Main Street Program project or an existing commercial district.

(b) Applications.—The department shall prepare application forms for the grant program established in this act and award grants to municipalities and other eligible entities based on the requirements in subsection (c). The department shall require that a map be furnished with all applications clearly identifying the established residential neighborhood and demonstrating its close proximity to a Main Street Program project or an existing commercial district.

(c) Program requirements.—The program shall:

(1) Provide basic grants for a maximum of five years per project for administrative costs associated with the hiring of a professional Elm

Street Manager, who may serve as an assistant to the Main Street Manager if a Main Street Program exists within the municipality.

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

(3) Provide planning and development grants for:

(i) Marketing and promoting urban residential living:

(ii) Leveraging additional private and public investment.

(iii) Promoting home ownership and other housing options.

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

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

(4) Provide an assessment of the applying municipality's need for the following:

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

(ii) A review of local comprehensive plans and zoning and other land use ordinances to foster the viability of established residential neighborhoods, with a balanced mix of commercial, civic, employment and residential uses, with particular attention to a diversity of housing options.

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

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

(1) Have an established residential neighborhood in need of revitalization in close proximity to an existing commercial district.

(2) Provide evidence of support by local residents, merchants and government officials.

(3) Commit to provide a minimum of a 10% match for any department grants. The match must consist of financial or in-kind support from other public or private sources based upon departmental guidelines. The department may waive or reduce the matching requirement if it determines such requirement would constitute a hardship upon the municipality or the agency designated by the municipality. A hardship exists if the municipality meets one of the following criteria:

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

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

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

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

(e) Multiple projects.—The department may approve more than one project within the boundaries of a municipality. Multiple projects may occur simultaneously or at different periods of time.

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

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

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

Section 4. Limitations.

(a) Program limits.—

(1) No more than 20% of its funds appropriated or allocated to the program in any fiscal year may be granted to municipalities in any county.

(2) In no case shall the aggregate amount of grants in any fiscal year exceed the amount of the appropriation to the department for the program in that fiscal year or the amount allocated to the program by the department in the event that funding for the program is included in an appropriation to the department containing funding for other programs. The provision of grants under this act shall in no way constitute an entitlement derived from the Commonwealth or a claim on any other funds of the Commonwealth.

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

Section 5. Allocation of appropriated funds.

The sum of \$5,000,000 of the State funds appropriated to the Department of Community and Economic Development for the New Communities Program in section 209 of the act of March 20, 2003 (P.L.463, No.1A), known as the General Appropriation Act of 2003, is hereby allocated to the department to make grants as authorized in this act.

Section 6. Expiration of act.

This act shall expire June 30, 2011, unless it is reenacted prior to that date.

Section 7. Effective date.

This act shall take effect immediately.

APPROVED—The 9th day of February, A.D. 2004.

EDWARD G. RENDELL