

COMMITTEE SUBSTITUTE

for

**H. B. 2810**

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(BY DELEGATE(S) GUTHRIE, PUSHKIN,  
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STANSBURY AND WALTERS)

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(Originating in the House Committee on the Judiciary)  
[February 28, 2015]

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A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §31-18-28, generally relating to implementing the West Virginia Property Rescue Initiative; providing legislative findings relating to the need of such program; requiring the West Virginia Housing Development Fund to facilitate the West Virginia Property Rescue Initiative; providing that the West Virginia Housing Development Fund

provide technical assistance to counties and municipalities for identification, purchase, removal and rehabilitation of dilapidated properties; requiring that the West Virginia Housing Development Fund establish and fund a revolving loan fund; directing the West Virginia Housing Development Fund to deposit monies into the revolving loan fund over a five year period; providing that no obligation of the state shall be created by the West Virginia Property Rescue Initiative; and requiring annual reports over five years; and requiring a final report on the effectiveness of the West Virginia Property Rescue Initiative.

*Be it enacted by the Legislature of West Virginia:*

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new section, designated §31-18-28, to read as follows:

**ARTICLE 18. WEST VIRGINIA HOUSING DEVELOPMENT FUND.**

**§31-18-28. West Virginia Property Rescue Initiative: findings; technical assistance and revolving loan program for removal of dilapidated housing; reporting required.**

- 1        (a) The program set forth in this section shall be known as
- 2        the “West Virginia Property Rescue Initiative”.
- 3        (b) The Legislature finds that a great number of dilapidated
- 4        housing structures exist throughout the state and that county and

5 municipal officials often lack the training and resources to  
 6 identify, purchase, remove, or rehabilitate these structures and  
 7 return the property to a condition beneficial to their  
 8 communities. The Legislature further finds that these structures  
 9 contribute to increased crime in neighborhoods, including illicit  
 10 drug use and sales; pose threats to health and safety; decrease the  
 11 values of surrounding properties; and reduce the quality of life  
 12 in their communities and neighborhoods. The Legislature further  
 13 finds that improved properties expand housing opportunities,  
 14 increase property values and enhance the quality of life in  
 15 communities and neighborhoods.

16 (c) The Legislature finds that the housing development fund,  
 17 as a public body corporate and the state's leading housing  
 18 authority, has the expertise and resources to lead a property  
 19 rescue initiative to assist counties and municipalities in removing  
 20 or rehabilitating dilapidated housing and improving their  
 21 communities and neighborhoods by providing technical  
 22 assistance, training and consultation as well as needed financial  
 23 resources.

24       (d) The housing development fund shall implement the West  
25   Virginia Property Rescue Initiative to provide technical  
26   assistance, training and consultation to counties and  
27   municipalities which include, but are not limited to, the  
28   following: (1) maintaining lists of contractors, developers,  
29   nonprofit organizations, disposal companies and land fills  
30   available to assist counties and municipalities in the removal or  
31   rehabilitation of dilapidated properties; (2) providing  
32   information on the use of the West Virginia Property Rescue  
33   Initiative in other jurisdictions; and (3) conducting or facilitating  
34   seminars in strategic areas of the state to encourage and inform  
35   community leaders in counties and municipalities on how to  
36   successfully use the West Virginia Property Rescue Initiative to  
37   improve their communities and neighborhoods individually and  
38   in combination with other counties or municipalities for  
39   economies of scale and efficient use of local resources.

40       (e) For the purpose of the West Virginia Property Rescue  
41   Initiative, the housing development fund shall establish and fund  
42   a revolving loan program to make funding available to counties  
43   and municipalities for the removal of dilapidated structures on

44 such terms for repayment of loans, with or without interest, as  
45 the housing development fund finds appropriate and to provide  
46 technical assistance, training and consulting services to counties  
47 and municipalities regarding the identification, purchase,  
48 removal and rehabilitation of properties to maximize the benefits  
49 of the West Virginia Property Rescue Initiative on an ongoing  
50 basis, with a commitment by the housing development fund to  
51 deposit at least \$5 million dollars to the West Virginia Property  
52 Rescue Initiative Revolving Loan Fund over a five year period  
53 beginning on July, 2015, at the rate of at least \$1 million dollars  
54 per fiscal year.

55 (f) Notwithstanding any other provision to the contrary, the  
56 revolving loan fund established in this section shall not be  
57 considered or construed as an obligation of the state.

58 (g) To enhance the success of the West Virginia Property  
59 Rescue Initiative, the housing development fund may, as a form  
60 of its technical assistance, seek grants and awards of funding to  
61 be made to the housing development fund or directly to counties  
62 and municipalities for their property rescue initiatives, from  
63 public and private organizations and government agencies,

64 federal and state, in order to provide both for additional funding  
65 for the property rescue revolving loan fund or the repayment of  
66 loans and for grants to counties and municipalities with dire need  
67 and limited resources such that special aid and funding is needed  
68 to begin and complete their local property rescue initiatives.

69 (h) The executive director of the housing development fund  
70 shall report on the West Virginia Property Rescue Initiative to  
71 the Joint Committee on Government and Finance annually  
72 during the initial five years of the West Virginia Property Rescue  
73 Initiative. At the end of the initial five years of the West Virginia  
74 Property Rescue Initiative, the housing development fund board  
75 of directors shall evaluate participation and success of the West  
76 Virginia Property Rescue Initiative as well as other aspects of  
77 the West Virginia Property Rescue Initiative in order determine  
78 whether and how to adjust services and levels of funding under  
79 this section.



