

Pennsylvania Works! Monthly Newsletter

Here is an update on the ***Pennsylvania Works!*** campaign:

Green Buildings

Historic Preservation

We have our first legislative victory for the campaign!

The Historic Preservation Incentive Program (House Bill 42), sponsored by Rep. Robert Freeman, passed the state House this week, by a vote of 193-2. This bill would give owners of historic buildings grants or tax credits to restore their properties. Owners of residential properties could receive up to \$15,000 to restore the exterior of their property, while commercial landowners would be eligible for up to \$500,000 in tax credits.

Improving our downtown and historic areas creates jobs and communities where people want to work and live. In addition, numerous studies have shown that rehabilitating older structures is a great way to create more jobs than new construction, as the work is labor intensive. Making our towns and cities more attractive and livable reduces the need for development to sprawl out into our green-spaces and agricultural land.

Previously, this bill passed the House in four of the last legislative sessions, failing to see the light of day in the Senate. We've met with key Senators and discussed ideas to overcome the objections of the past. The problem is the funding for the program, and as you can imagine, finding funding for a program this year is an impossible task.

Thank you to everyone who contacted their legislator to help get this through. In addition, thanks to Mindy Crawford of Preservation PA, who is working tirelessly on getting this passed. Thanks also goes to Representative Bob Freeman for introducing the bill, 10,000 Friends of PA, and the PA Chapter of the American Institute of Architects for their assistance in moving this through the system.

We'll be asking for your assistance when the time is right for the Senate vote. In the meantime, contact your state Senator and urge them to support House Bill 42.

Homeowners Emergency Mortgage Assistance Program (HEMAP)

For those of us old enough to remember, there was a commercial for Fram Auto filters back in the late 70's. If you didn't replace your oil filter in your car frequently enough, you faced expensive repairs, far in excess of the cost of replacing a ten-dollar filter. Their slogan was, "You can pay me now, or you can pay me later." There is wisdom to be had from this old commercial.

The Homeowner's Emergency Mortgage Assistance Program (HEMAP) is a short-term loan program for homeowners facing foreclosure due to unemployment, illness or other extreme situations. The program received \$16 million in funding this fiscal year, but Governor Rendell and the Senate propose to cut funding to as low as \$9.9 million for the 2009-2010 fiscal year. This cut comes as mortgage foreclosures

are reaching historic levels in the Commonwealth. Applications to the program are expected to be 50% greater than last year.

Keep in mind this program is a loan to the homeowner. To qualify, the state requires the borrower to have the ability to pay back the loan, and a mortgage is taken out on the property.

Cutting this program is extremely short sighted and ill advised. When families lose their homes, they use other state programs to pay rent or utilities, or to put food on the table. When they make use of these other social programs, the money is spent, and not repaid like HEMAP. Spending a little now on the HEMAP program will save tens of thousands of dollars, compared to the social service costs the state, county, and local governments will pay later (You can pay me now, or you can pay me later!) A wise, old Philadelphian once said, "Don't be penny wise and pound foolish."

We are working to increase the level of spending for this program to \$20 million, as we see this being a wise expenditure with the greatest return on investment for the taxpayers of Pennsylvania. To help, please contact your state Representative or Senator and ask them to increase funding for the HEMAP program.

Housing Trust Fund

We have made good progress in Harrisburg with the Housing Trust Fund. HB 60 was introduced in the House by Representative Peter Daley, Chairman of the House Commerce Committee, and a identical bill was introduced in the Senate, SB 599, by Senator Gene Yaw, Chair of the Senate Urban Affairs Committee.

Both bills would provide dedicated funding to increase the supply of affordable homes for low income residents, individuals with disabilities, and the elderly. It will also be used by local communities and other non-profit organizations to build modern and efficient homes, emergency repairs, accessibility, and more. Monies from the fund could also be used for rental assistance, foreclosure prevention, and other needs.

We are pushing hard for this bill, due to the potential of \$30-50 million to come from the Federal Housing Trust Fund, possibly as early as October. Without a state trust fund in place, we are not guaranteed how or where the money will be spent here in the Commonwealth. We need to make sure Federal stimulus money slated for housing goes to housing!

To help the campaign, please contact your state Representative or Senator and ask them to pass the Housing Trust Fund bill.

Keep Informed and Keep in Touch

Please check our website frequently, as we update it with news, press releases, and other updates on the issues that make up our campaign. Our website is www.pennsylvaniaworks.org. As always, if you have any questions or comments on the issues we are working on, please feel free to drop us a line.

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