WEST VIRGINIA CODE: §31-15-6C

§31-15-6c. Neighborhood Housing and Economic Development Stabilization Program; authority to contract with Housing Development Fund; funding.

(a) It is hereby determined and declared, as a matter of legislative finding:

(1) Local housing initiatives offer a unique opportunity to revitalize and stimulate economic development in low income neighborhoods with high minority populations, which typically have high levels of unemployment and include a large number of distressed properties.

(2) Local housing initiatives may include, but are not limited to, demolition, rehabilitation, new construction, land purchases for development, affordable mortgage initiatives and related job training and community service activities.

(3) In order to promote a positive long-term economic impact on the community, an effective local housing initiative should include a job training component that is designed to provide additional educational and vocational job opportunities and foster the development of marketable skills among the people living within the targeted neighborhoods served by the program.

(4) If done as a part of a focused and coordinated effort, the rehabilitation or replacement of deteriorating residential properties or structures would enhance the value of other properties in the community and improve the overall quality of their neighborhood.

(5) A successful neighborhood revitalization and recovery program can attract new businesses and spur additional investment in the community.

(6) Using locally based or community based not-for-profit entities to spearhead local housing initiatives encourages the development of additional resources, leadership and administrative skills at a local level which, once in place, would continue to focus on the needs and revitalization of the targeted community, after the initial project is complete.

(7) It is reasonable and appropriate to establish a funding mechanism for selected qualifying entities to implement projects that are designed to revitalize and stimulate economic development in low income neighborhoods with relatively high minority populations.

(8) The effectiveness of the initial programs can best be assessed if significant funding is awarded to a limited number of qualifying programs serving targeted communities.

(9) The state would benefit from the development of a working model for stimulating economic development and neighborhood revitalization through local housing initiatives, so that it may be replicated in other parts of the state which have similar demographic and economic conditions.

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(10) Substantial federal funds have been earmarked for housing stabilization and stimulating economic recovery, including but not limited to, housing rehabilitation, construction, upgrades and weatherization programs.

(b) There is hereby established within the Economic Development Authority the Neighborhood Housing and Economic Development Stabilization Program. The purpose of the program is to provide loans, grants and forgivable loans to support and carry out local economic development initiatives and locally designed housing initiatives in minority neighborhoods with low-income demographics in this state. Housing initiatives funded by this program may include, but are not limited to, demolition, rehabilitation, new construction, land purchases for development, affordable mortgage initiatives and related job training and community service activities.

(c) To accomplish these objectives and to administer and distribute the funds provided by the Legislature for this purpose, the Economic Development Authority is authorized to contract with the Housing Development Fund to administer the Neighborhood Housing and Economic Stabilization Program.

(d) Upon the effective date of this section, the Economic Development Authority shall, upon appropriation by the Legislature, transfer $2.4 million from the Economic Development Project Bridge Loan Fund established in section eighteen-a, article twenty-two, chapter twenty-nine of this code to the Housing Development Fund. The fund will administer the program and distribute the funds to locally based West Virginia not-for-profit entities to operate local economic development initiatives and locally designed housing initiatives as described in this section. The project's funds shall be awarded through a statewide request for proposal solicitation issued by the Housing Development Fund, after requests for proposals have been reviewed and accepted by the authority.

(e) In awarding the funds, the Housing Development Fund shall give priority to proposals received from local not-for-profit organizations for low-income housing initiatives which include a job training component and promote the employment or utilization of people and businesses who reside within the targeted neighborhoods. A recipient organization must have written established guidelines to promote investment from within and outside the community where the neighborhood is located.

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