WEST VIRGINIA CODE: §31-18-2

§31-18-2. Legislative findings and purpose.

(a) The Legislature hereby finds and declares that as a result of public actions involving highways, public facilities, flood-control projects and urban renewal activities, and as a result of the spread of slum conditions and blight to formerly sound urban and rural neighborhoods, there exists in the State of West Virginia a serious shortage of sanitary, decent and safe residential housing available at low prices or rentals to persons and families of low and moderate income. This shortage is severe in certain urban areas of the state, is especially critical in the rural areas of West Virginia, and is inimical to the health, welfare and prosperity of all residents of the state and to the sound growth of West Virginia communities.

(b) The Legislature hereby finds and declares further that private enterprise and investment have not been able to produce, without assistance, the needed construction of sanitary, decent and safe residential housing at low prices or rentals which persons and families of low and moderate income can afford, to provide sufficient long-term mortgage financing for residential housing for occupancy by persons and families of low and moderate income or to achieve the urgently needed rehabilitation of much of the present low and moderate income housing stock. It is imperative that the supply of residential housing for persons and families displaced by public actions or natural disaster be increased; that private enterprise and investment be encouraged both to sponsor land development for residential housing for such persons and families and to sponsor, build and rehabilitate residential housing for such persons and families; and that private financing be supplemented by financing as in this article provided, to help prevent the recurrence of slum conditions and blight and assist in their permanent elimination throughout West Virginia.

(c) The Legislature hereby finds and declares further that experience has demonstrated that concentration in residential housing developments, or residential housing areas, of only persons and families who, without some form of private or public assistance, do not have incomes sufficient to afford sanitary, decent and safe residential housing, frequently does not eliminate, or avoid, undesirable social conditions and frequently does not permanently eliminate, or avoid, slum conditions, and that in such instances occupancy of some of the residential housing units in such residential housing developments, or residential housing areas, by persons and families of higher income is desirable and beneficial in achieving the stated public purposes for enacting this legislation.

(d) The Legislature hereby finds and declares further that depressed economic conditions in this state and a related lack of employment and business opportunities caused thousands of people to leave this state to find employment elsewhere; that such depressed economic conditions and related exodus of population adversely affected the property tax base of this state, adversely affected the excise tax base of this state, diminished the manpower resources of this state necessary for modern mining, industrial and commercial operations

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and development in this state, caused the population of this state to include a disproportionately high number of elderly, disabled and economically disadvantaged persons, resulted in the spread of slum conditions and blight to formerly sound urban and rural neighborhoods, retarded, and continue to retard, the repair and improvement of existing residential housing and the construction of new residential housing, adversely affected, and continue to adversely affect, land development, including the extension and construction of water systems, nonpolluting sewer systems, other utility facilities and off-highway streets and roads essential to new industrial, commercial and residential housing development, critically restricted, and continue to critically restrict, the construction of public housing for occupancy by persons and families at the lowest level of the low and moderate income segment of the population of this state, critically restricted, and continue to critically restrict, the opportunities of persons and families at all levels of the low and moderate income segment of the population of this state for improved residential housing, either newly constructed or which would normally become available to them when vacated by persons and families of higher income occupying newly constructed residential housing, and critically restricted, and continue to critically restrict, the construction of new residential housing, including, but not limited to, nursing homes and intermediate care facilities, of design and location suitable for occupancy by disabled and by elderly persons; that as a result of public actions involving highways, public facilities, flood-control projects and urban-renewal activities undertaken as a part of the programs of this state to improve economic conditions and increase employment opportunities in this state with a view to improving the health, welfare and prosperity of residents of this state and reversing the outward movement of population in this state, extensive areas which are suitable for industrial, commercial and residential housing uses have been, or in the near future will be, opened up for development for such purposes but in many instances will be without the land development, including water and nonpolluting sewer systems, other utility facilities and off-highway street and road improvements essential to use of the same for such purposes; that as a result of the unique physical, economic, demographic and other characteristics of this state, including its rugged mountainous terrain, scarcity of land at low or moderate cost suitable for residential housing, low population density and cultural preferences which are not suited for the denser, larger-scale housing projects typical of more urban areas and high costs of land development and housing construction, the difficulties of providing land development, including water and nonpolluting sewer systems, other utility facilities and off-highway streets and roads, and of providing residential housing, are unusually severe within this state and have restricted and continue to restrict, land development and housing construction needed for the people of the state; that as a direct consequence of the foregoing there exists in this state a serious shortage of sanitary, decent and safe residential housing available for occupancy by persons and families of all but the highest income levels and there exists in this state a serious shortage of water and nonpolluting sewer systems, other utility facilities and off-highway street and road developments essential to utilization of land for industrial, commercial and residential housing purposes which, due to public actions involving highways, public facilities, flood-control projects and urban-renewal activities, is, or will soon become, available for needed industrial, commercial and residential housing purposes; that these shortages are severe in certain urban areas of this state, are especially

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critical in rural areas of this state and are inimical to the present and future health, welfare and prosperity of all residents of this state and to the sound growth and development of communities in this state; and that unless promptly remedied these shortages will continue to seriously retard the sound economic growth and development of this state, the related property tax and excise tax bases of this state and the availability in this state of manpower resources essential to modern mining, industrial and commercial operations and development which are essential to the health, welfare and prosperity of this state and its residents.

(e) The Legislature hereby finds and declares further that private enterprise and investment have not been able to produce, or provide mortgage financing for, sufficient new sanitary, decent and safe residential housing at prices or rentals low enough to enable sufficient persons and families having incomes at or immediately above the higher level of the low and moderate income segment of the population of this state to occupy the same and thereby provide opportunities for persons and families of lesser income to occupy existing sanitary, decent and safe residential housing thereby vacated, have not been able to produce, or provide mortgage financing for, sufficient new residential housing essential to retain and attract qualified manpower resources in and to many areas of this state where such resources are, or shortly will be, critically needed for existing, expanding and new mining, industrial and commercial operations and development, have not been able to produce, or provide mortgage financing for, sufficient new residential housing, including, but not limited to, nursing homes and intermediate care facilities, of design and location suitable for occupancy by elderly and by disabled persons, have not been able to finance sufficient land development, including extensions or construction of water and nonpolluting sewer systems, other utility facilities and off-highway streets and roads, essential to utilization of undeveloped areas of this state for industrial, commercial and residential housing purposes, and have not been able to achieve urgently needed rehabilitation of much of the present housing stock of this state; that it is imperative that the supply of residential housing necessary to retain and attract qualified manpower resources in and to many areas of this state where such resources are, or shortly will be, critically needed for existing, expanding and new mining, industrial and commercial operations and developments be provided, that sufficient new residential housing, including, without limitation, nursing homes and intermediate care facilities, designed and located so as to be suitable for occupancy by elderly persons and by disabled persons be provided, that needed public housing for occupancy by persons and families at the lowest level of the low and moderate income segment of the population of this state be provided, that land development, including water and nonpolluting sewer systems and other utilities and off-highway streets and roads in this state necessary or desirable for new commercial, industrial and residential housing uses be provided, and that the existing political subdivisions of this state, and private enterprise and investment resources in this state, be encouraged to sponsor and finance land development, including water and nonpolluting sewer systems, other utilities and off-highway streets and roads, and to finance, construct and rehabilitate such residential housing; and that it is necessary that such efforts be supplemented by this state as in this article provided.

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(f) The Legislature hereby finds and declares further that political subdivisions in West Virginia which are presently authorized and empowered by law to acquire, construct, operate and manage public housing projects have not been able to acquire and construct, even with available federal and state assistance, public housing projects sufficient to fulfill the needs for sanitary, decent and safe residential housing for occupancy by persons and families at the lowest level of the low and moderate income segment of the population of this state who have been entitled to occupy public housing in many smaller municipalities in West Virginia and especially in the rural areas of West Virginia; that the primary cause of such shortage of needed public housing projects is the inability of such political subdivisions to remedy such shortages because the number of units of public housing needed within its territorial jurisdiction is not sufficient to generate, and justify the expenditure of, adequate funds to provide the requisite arranging of financing for, and planning, development, acquisition, construction, operation and management of such public housing; and that the acquisition, construction, planning, development, financing and management of public housing projects in this state by a governmental instrumentality and public body corporate with statewide jurisdiction as authorized herein will permit or facilitate the arranging of financing for, and planning, development, acquisition, construction, operation or management of public housing units, even though such units are included in several projects each of which contains a relatively small number of such units, sufficient in the aggregate to generate, and justify the expenditure of, sufficient funds to provide the requisite arranging of financing for, and planning, development, acquisition, construction, operation and management of such public housing, thereby providing the means to alleviate the existing shortages of public housing in many municipalities in West Virginia and in the rural areas of West Virginia.

(g) The Legislature hereby finds and declares further that its intention by enacting this legislation is to provide for the continuation of the West Virginia Housing Development Fund, the corporate purpose of which is to provide financing for development costs and land development to public and private sponsors of land development in this state; further to provide federally insured construction loans to public and private sponsors of land development or to public and private sponsors of residential housing for occupancy by eligible persons and families; further to provide uninsured construction loans to public and private sponsors of land development or to public and private sponsors of residential housing for occupancy by eligible persons and families or to eligible persons and families who may construct such housing; further to provide long term federally insured mortgage loans to public and private sponsors of residential housing for occupancy by eligible persons and families and to eligible persons and families who may purchase or construct such housing; further to provide long-term uninsured mortgage loans to public and private sponsors of residential housing for occupancy by eligible persons and families and to eligible persons and families who may purchase or construct such housing; further to provide technical, consultative and project assistance service to public and private sponsors of such land development or residential housing; further to increase the construction of residential housing for occupancy by eligible persons and families through participating in the making of, or the making of, loans to mortgagees approved by the Housing Development Fund, and

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taking as collateral security therefor, or purchasing, or investing in long-term federal mortgages or federally insured mortgages, or uninsured mortgages, on residential housing constructed in this state, thereby increasing the supply of funds for long-term mortgage financing of residential housing for occupancy by eligible persons and families and freeing funds for use in short-term construction financing of residential housing for occupancy by eligible persons and families; further to plan, develop, finance, acquire, construct, mortgage or otherwise encumber, operate, manage, sell, lease or otherwise dispose of public housing projects; and finally to assist in coordinating federal, state, regional and local public and private efforts and resources to otherwise increase the supply of such residential housing.

(h) The Legislature hereby finds and declares further that in accomplishing this purpose, the West Virginia Housing Development Fund, heretofore created and established by this article, is acting in all respects for the benefit of the people of the State of West Virginia to serve a public purpose in improving and otherwise promoting their health, welfare and prosperity, and that the West Virginia Housing Development Fund, heretofore created and established, is empowered, hereby, to act on behalf of the State of West Virginia and its people in serving this public purpose for the benefit of the general public.

(i) The Legislature hereby finds and declares further that during a period of national growth this state has experienced a lack of employment and business opportunities, which have caused a reduction in the tax base of the state, diminishing the resources available to this state to provide for the health, safety and welfare of its citizens; that there has been and continues to be a need for economic development and improvement and capital investment in this state, including, but not limited to, the real estate and construction industries, both residential and nonresidential; that there exists in this state a shortage of the capital needed to finance general economic development through investment in enterprises which have the potential to create new employment opportunities in this state and that there also exists a shortage of construction and real estate development financing, underwriting and construction expertise, which shortage can be alleviated by utilizing the expertise of the Housing Development Fund and its staff, which are hereby determined to be suited to facilitate, implement and undertake the general economic development and real estate construction and development projects, both residential and nonresidential, which are necessary to support the capital base and employment levels and remedy many of the underlying causes of the current economic difficulties existing in this state; that many other states have facilitated the development of capital and the growth of employment opportunities through state programs which provide combined technical and financial assistance for business and real estate development in such states; and the Legislature hereby finds and declares further in support of the foregoing that it shall be a corporate purpose of the Housing Development Fund to provide assistance by loans, grants or otherwise for the costs, including development and direct and indirect costs, and financing for public and private sponsors of land development, residential housing and nonresidential projects in this state, and further to provide construction loans and mortgage loans (including privately insured and uninsured) to public and private sponsors of land development and residential housing and nonresidential projects in this state, to make

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grants and provide technical, consultative and project assistance services to public and private sponsors of land development and residential housing and nonresidential projects in this state, and to plan, develop, finance, acquire, construct, renovate, improve, mortgage or otherwise encumber, operate, manage, sell, lease or otherwise dispose of general economic development and land development projects and residential projects and nonresidential projects in this state.

(j) The Legislature hereby finds and declares further that the Housing Development Fund and its staff have extensive expertise in real estate development financing, underwriting and construction activities, and further that there is a need on behalf of public and educational bodies to facilitate the construction of new facilities or renovation of existing facilities, which need can best be met by making available to such public agencies and bodies the real estate and construction development services and consultative expertise of the Housing Development Fund at such cost and fees as the Housing Development Fund would normally impose, subject to the provisions of this article relating to the powers of the Housing Development Fund.

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