

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997

As Engrossed: S2/12/97

A Bill

SENATE BILL 145

4
5 By: Senator Walker

For An Act To Be Entitled

9 "AN ACT TO PROVIDE FOR TARGETED NEIGHBORHOOD ENHANCEMENT
10 TO REHABILITATE NEIGHBORHOODS SUFFERING FROM NEGLECT,
11 ABANDONMENT, AND URBAN BLIGHT; AND FOR OTHER PURPOSES."

Subtitle

14 "AN ACT TO PROVIDE FOR TARGETED
15 NEIGHBORHOOD ENHANCEMENT TO REHABILITATE
16 NEIGHBORHOODS SUFFERING FROM NEGLECT,
17 ABANDONMENT, AND URBAN BLIGHT."

18
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

20 SECTION 1. This act shall be known as the "Targeted Neighborhood
21 Enhancement Plan Act."

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23 SECTION 2. This act, being necessary for the public health, safety and
24 welfare, shall be liberally construed to effectuate the purposes of it.

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26 SECTION 3. Any municipality may, upon fulfillment of the following
27 requirements, declare an area of the municipality as a targeted neighborhood.
28 There is no limit on the number of targeted neighborhoods that a municipality
29 may create. Once a targeted neighborhood area has been designated, and a plan
30 has been implemented, the municipality may take advantage of all the
31 provisions of this act.

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33 SECTION 4. Legislative finding.

34 It is hereby found by the General Assembly of the State of Arkansas that
35 certain areas within any municipality are either suffering from neglect,
36 abandonment, or are about to become urban blight. This act is necessary to

1 recapture or rehabilitate these neighborhoods, create new homes, rehabilitate
2 existing structures, and maintain residents for a period of several years.
3 Overcoming neighborhood decay and blight fulfills a legitimate public purpose
4 that is essential to the public health, safety and welfare. Therefore, cities
5 are free to designate one or more targeted neighborhoods and to implement a
6 Targeted Neighborhood Enhancement Plan in accordance with this Act.

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8 SECTION 5. Requirements for an area to qualify as a targeted
9 neighborhood.

10 Before a municipality may designate an area as a targeted neighborhood,
11 it must first complete each of the following steps:

12 (a) The municipality must pass a resolution, containing a proposed map,
13 noting its intent to designate a particular area as a targeted neighborhood.
14 The area will be referred to as the (name of area) Targeted Neighborhood
15 Enhancement Plan.

16 (b) Upon the passage of the resolution, the municipality shall compile a
17 report on the targeted neighborhood which sets forth the following
18 information:

19 (1) A brief history of the neighborhood including current
20 demographic information of the residents,

21 (2) Information on the deterioration or demolition of housing
22 stock,

23 (3) Information concerning incidents of crime,

24 (4) The location of existing government resources that could help
25 rehabilitate the neighborhood such as police and fire substations, schools,
26 playgrounds, or other government centers,

27 (5) A list of financial institutions that are willing to
28 participate as lending institutions to persons that contract with the city to
29 build, or rehabilitate, and reside in a residential structure within the
30 targeted neighborhood pursuant to the provisions of this Act,

31 (6) A proposed plan to rehabilitate the various blocks of the
32 neighborhood that sets forth, among other things, the resources the
33 municipality is willing to dedicate to ensure the success of the effort. For
34 example, the location of a community oriented police effort to enable
35 residents to feel more secure would be an example of a resource the
36 municipality is willing to dedicate.

1 (c) Once this plan is completed, the municipality shall conduct two
2 public hearings at different locations to indicate the nature of the
3 rehabilitation plan and the resources the municipality is willing to dedicate
4 to the rehabilitation effort over the next five (5) years.

5 (d) After any amendments to the plan the municipality wishes to make as
6 a result of the public hearings, the municipality shall adopt an ordinance
7 that sets forth the plan and sets forth the resources the municipality is able
8 to dedicate to the plan over the period of five (5) years.

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10 SECTION 6. Contract to participate in a targeted neighborhood
11 enhancement plan.

12 (a) A municipality may contract with a person who agrees to
13 participate in a targeted neighborhood enhancement plan. This contract may be
14 for an amount not to exceed twenty percent (20%) of the cost of building or
15 rehabilitating a residential structure within the designated area, exclusive
16 of down payment, provided the person agrees to occupy the structure as the
17 person's principal residence for a continuous period of five (5) years.

18 (b) A municipality may contract with any person or entity owning and
19 developing property for resale within a targeted neighborhood to provide an
20 amount not to exceed twenty (20) percent of the cost of constructing or
21 rehabilitating a residential structure under the following conditions:

22 (1) the person or entity shall demand that the purchaser of the
23 property within the targeted area shall occupy the structure and make it the
24 person's or entity's principal residence for a period of five (5) years; and

25 (2) any contracted amount from the municipality will not be
26 provided to the person or entity developing the property for resale until:

27 (A) the property is sold to a purchaser who then contracts
28 with the municipality to occupy the structure within the targeted area in
29 return for the provision of up to twenty (20) percent of the cost of
30 construction or rehabilitation, which amount at sale is assigned from the
31 person or entity to the purchaser; and

32 (B) the new purchaser makes the residential structure the
33 purchaser's principal residence for a period of five (5) years; and

34 (3) none of the amount provided by the municipality shall be used
35 for down payment.

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SECTION 7. If an individual, under contract with the municipality, fails to fulfill the commitment to stay within the residential structure the contract period, the municipality, after proper notice, may foreclose on the property.

SECTION 8. If the municipality wishes to continue the program in a particular targeted neighborhood at the conclusion of five (5) years, it may do so by completing the steps set forth in this act, provided that no area may be maintained as a targeted neighborhood for more than an aggregate of fifteen (15) years.

SECTION 9. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 10. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 11. All laws and parts of laws in conflict with this act are hereby repealed.

/s/Walker