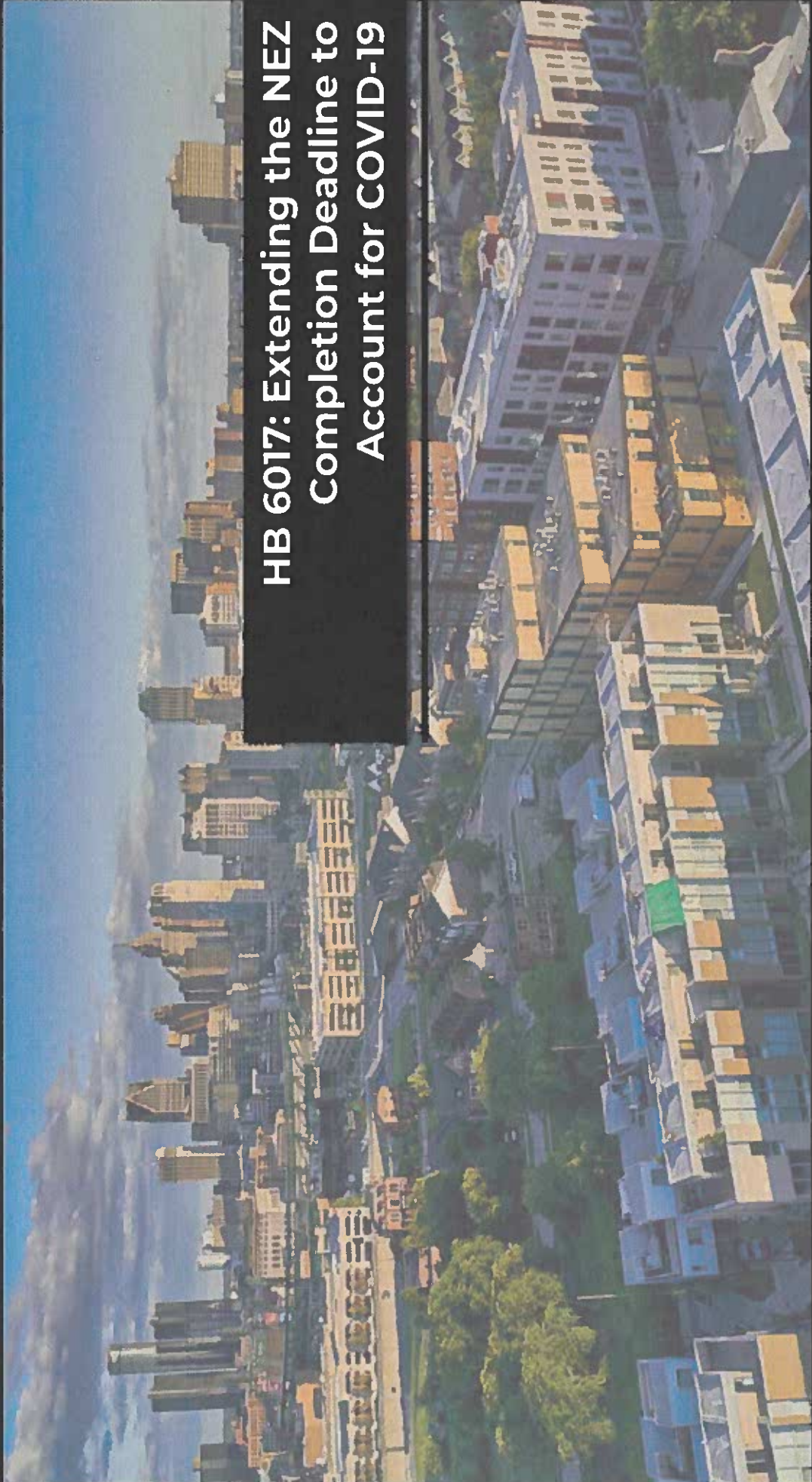


**HB 6017: Extending the NEZ  
Completion Deadline to  
Account for COVID-19**



# Background

- The Neighborhood Enterprise Zone (NEZ) Act was enacted in 1992 to support the development and rehabilitation of residential housing in eligible distressed communities.
- NEZs can be used in over 150 “qualified local government units”.
- Prior to COVID, the NEZ Act provided four (4) years to complete the housing development, sell the homes, and have homeowners submit the NEZ paperwork.

# Background

- In response to delays from COVID—which halted construction and sales—the legislature passed PA44 in July 2021 to provide an additional 180 days of time. The bill passed the House 101-8.
- Unfortunately, that was not the end of it. The Delta and Omicron waves were still to come and affected many projects.
- In particular, COVID hurt the housing market in downtown areas.
- With offices closed and downtowns emptied out, there was little reason to purchase a home downtown, and the market was essentially frozen.

# HB 6017

- HB6017 is a very simple bill: it provides an additional 120 days for developers to complete the project, sell the homes, and for the homeowners to submit the NEZ paperwork.
- As shown on the following slides, HB6017 will give projects like *City Modern* a reasonable amount of additional time to make up for COVID and be successful.



## City Modern Development Site: 2017

House Local Government Committee  
05.4.2022



City Modern Development Site: 2022

House Local Government Committee  
05.4.2022