

110TH CONGRESS  
2D SESSION

# H. R. 7189

To ensure that any troubled assets relief program of the Treasury provides for purchase of vacant properties backing such troubled assets by regional public-private partnerships to retain the value of such real estate, stabilize communities, and minimize the fiscal impact on taxpayers.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 27, 2008

Mr. GARY G. MILLER of California introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To ensure that any troubled assets relief program of the Treasury provides for purchase of vacant properties backing such troubled assets by regional public-private partnerships to retain the value of such real estate, stabilize communities, and minimize the fiscal impact on taxpayers.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Public-Private Part-  
5 nerships Community Stabilization Act of 2008”.

1 **SEC. 2. PURCHASES BY LOCAL PUBLIC-PRIVATE PARTNER-**  
2 **SHIPS.**

3 (a) IN GENERAL.—In carrying out any Act that pro-  
4 vides authority to the Secretary of the Treasury to pur-  
5 chase troubled assets from financial institutions, the Sec-  
6 retary shall systematically provide for purchases, by pub-  
7 lic-private partnerships established at the community,  
8 local, and regional levels, from the Secretary of vacant res-  
9 idential properties that the Secretary owns, holds, or con-  
10 trols by reason of purchases of troubled assets pursuant  
11 to such Act, and shall require Federal property managers  
12 to provide for purchases by such partnerships of properties  
13 owned, held, or controlled by such Federal property man-  
14 ager, for the purpose of retaining the value of such prop-  
15 erties, stabilizing communities, and minimizing the fiscal  
16 impacts of such Act on taxpayers.

17 (b) REQUIREMENTS.—In carrying out subsection (a),  
18 the Secretary shall provide for public-private partnerships  
19 to—

20 (1) manage the acquisition and disposition of  
21 properties purchased;

22 (2) utilize other current Federal resources, in-  
23 cluding the New Market Tax Credits, in conjunction  
24 with such purchase to assist in housing recovery for  
25 communities, localities, or regions;

1           (3) ensure the purchased properties are main-  
2           tained or renovated to meet applicable health, build-  
3           ing, and safety standards;

4           (4) meet low- and moderate-income housing  
5           needs;

6           (5) maintain local property taxes and critical  
7           services; and

8           (6) leverage local resources to augment Federal  
9           investment for the purpose of obtaining the highest  
10          return on the Federal investment under the program  
11          under the Act referred to in subsection (a).

12          (c) TERMS.—In carrying out subsection (a), the Sec-  
13          retary shall establish requirements regarding—

14               (1) the ratio of Federal funds expended by the  
15               Secretary with respect to obtaining such properties  
16               to the amount of funds required to be invested by  
17               the public-private partnership;

18               (2) the process by which vacant properties  
19               backing troubled assets purchased by the Secretary  
20               can be transferred on a community, local, or re-  
21               gional basis to public-private partnerships;

22               (3) determining the beneficial goals of the part-  
23               nership to include low- and moderate-income home-  
24               ownership prioritization;

1           (4) avoiding “dumping” of properties by selling  
2 large volumes of vacant properties at substantial  
3 price discounts;

4           (5) determining the areas in which the Federal  
5 Government can carry out this section to maximize  
6 governmental efficiency and taxpayer benefit;

7           (6) segregating assets of regions that have es-  
8 tablished public-private partnerships for the benefit  
9 of their communities; and

10          (7) award of contracts to asset managers, that  
11 provide for solicitation of proposals from a broad  
12 range of qualified entities and individuals and pref-  
13 erence for public-private partnerships that are cre-  
14 ated to help stabilize their region’s economy.

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