



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF COMMUNITY AFFAIRS
HARRISBURG
17120

Dear Sirs:

This letter is being sent to you because your organization holds an Internal Revenue Service tax exempt status ruling under the provision of Section 501 C (3) of the IRS code. However, your organization may or may not be eligible for the grant program reviewed below.

On January 12, 1974, Governor Shapp signed into law Act 159 of 1973, which authorizes the payment of cash grants to assist certain nonprofit organizations that sustained damage in the floods of September 1971 and June 1972 to real and personal property of which they were the owner.

For the purposes of the Act, a nonprofit organization is one which provides on a non discriminatory basis, a health, welfare or educational (excluding public and non-public schools) service for the public, including religious organizations and cemeteries and which held at the time of the flood and which currently holds a valid ruling from the IRS as being exempt from income taxation under the provisions of Section 501 C (3) or Section 501 C (13) of the Internal Revenue Code of 1954.

Loss subject to a State grant does not include preflood indebtedness, which has been consolidated with the property loss, i.e., real property mortgage.

Loss subject to a State grant does not include any covered by insurance or by a Federal or other State grant.

Losses of both real and personal property are covered; however, only property used for nondiscriminatory purposes is eligible.

Real property losses to real property condemned under eminent domain proceedings and in which the measure of damage is calculated at preflood value are not eligible.

Losses of up to \$5,000 which would have qualified for a Small Business Administration "forgiveness" loan are ineligible.

Claims are allowable only to assist in restoration of property to its pre-flood condition.

The damage or loss must have resulted from the September, 1971 flood (only in the seven (7) Presidentially declared disaster counties) or the June, 1972 flood.

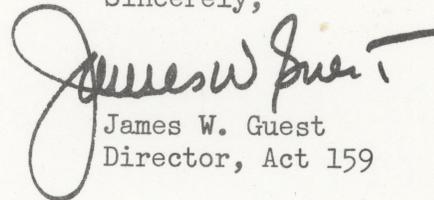
If your organization meets the general criteria listed above, it may be eligible to receive a grant. In this case, an application and necessary filing instructions may be requested from the office indicated below.

Application forms and instructions for filing will be available for mailing by March 15, 1974.

Act 159, 1973, will be administered by the Department of Community Affairs. Inquiries should be addressed to:

NonProfit Flood Relief Grant Office
Department of Community Affairs
2001 North Front Street
Harrisburg, Pennsylvania 17102

Sincerely,



James W. Guest
Director, Act 159