

No. 99

AN ACT

HB 1194

Amending the act of July 6, 1961 (P.L.509), entitled "An act authorizing the Commonwealth of Pennsylvania, through the Department of Commerce and The Pennsylvania Industrial Development Authority to cooperate with and implement the program of the Federal Government as established by the Federal Area Redevelopment Act for economic assistance to redevelopment areas in the Commonwealth suffering from substantial and persistent unemployment and underemployment; authorizing The Pennsylvania Industrial Development Authority to participate with any Federal agency in the financing of industrial development projects in redevelopment areas and authorizing The Pennsylvania Industrial Development Authority to make loans to industrial development agencies for the establishment of industrial parks in redevelopment areas and critical economic areas," empowering Industrial Development Authorities to act in urban redevelopment areas to aid in financing industrial and commercial development projects (including commercial and office buildings and buildings for service industries and the equipment and furnishings therefor).

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 3, act of July 6, 1961 (P.L.509), known as the "Pennsylvania Redevelopment Area Economic Cooperation and Implementation Act," amended October 21, 1965 (P.L.646), is amended to read:

Section 3. Definitions.—The following terms, whenever used or referred to in this act, shall have the following meanings, except in those instances where the context clearly indicates otherwise:

(a) The term "Authority" shall mean The Pennsylvania Industrial Development Authority created under the Pennsylvania Industrial Development Authority Act of May 17, 1956 (P.L.1609).

(b) The term "Federal Act" shall mean the Area Redevelopment Act of 1961 (Public Law No. 27, 87th Congress, 1st Session), as from time to time amended and supplemented.

(c) The term "Federal agency" shall mean and include the United States of America, The President of the United States of America, the Secretary of Commerce of the United States of America, and any department of, or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the United States of America.

(d) The term "industrial development agency" shall mean any incorporated organization, foundation, association or agency, regardless of the particular name, and to whose members or shareholders no profit shall enure, which shall have as a purpose the promotion, encouragement and development of commercial, industrial, manufacturing and research and development enterprises in a redevelopment area or a critical economic area.

(e) The term "industrial development project" shall mean any land, site, structure, facility or undertaking (including in cases of demonstrated need, machinery and equipment) comprising or being connected with or being a part of a commercial, industrial, manufacturing or research and development enterprise established or to be established by an industrial development agency in a redevelopment area or a critical economic area ***or by an Industrial Development Authority in a redevelopment area.***

(f) The term "industrial parks" shall mean land areas acquired (including existing buildings previously erected thereon), said land areas, (excluding existing buildings, if any), improved and prepared by industrial development agencies in accordance with plans and specifications as approved by the Authority as sites for the establishment thereon of two or more industrial development projects by industrial development agencies in a redevelopment area or a critical economic area.

(g) The term "redevelopment areas" shall mean those areas in the Commonwealth designated as such redevelopment areas by a Federal agency in the manner provided in the Federal Act ***or those areas, whether improved or unimproved, which a planning commission may find to be blighted pursuant to the provisions of the Urban Redevelopment Law.***

(h) The term "multiple-tenancy building project" shall mean any land, site, structure, facility or undertaking acquired or constructed for occupancy by two or more (i) industrial enterprises, (ii) manufacturing enterprises; or (iii) research and development enterprises (as those terms are defined in the Pennsylvania Industrial Development Authority Act) established or to be established by an industrial development agency in a critical economic area.

(i) The term "critical economic area" shall mean the area of the Commonwealth defined as such critical economic area by the Pennsylvania Industrial Development Authority Act.

(j) The term "Pennsylvania Industrial Development Authority Act" shall mean the act of May 17, 1956 (P.L.1609) as heretofore and hereafter amended and supplemented.

(k) ***The term "Industrial Development Authority" shall mean any public instrumentality of the Commonwealth and body politic and corporate created pursuant to the Industrial Development Authority Law, act of August 23, 1967 (P.L.251).***

(l) ***The term "Urban Redevelopment Law" shall mean the act of May 24, 1945 (P.L.991), as amended.***

Section 2. Section 5 of the act is amended to read:

Section 5. (a) In order that redevelopment areas in the Commonwealth may be assured of maximum benefits to be derived from participation in the economic assistance program established by the Federal Act, the Department of Commerce of the Commonwealth is designated and hereby is empowered to act as the agency of the

Commonwealth charged with the responsibility of meeting the requirements of the Federal Act as to approving all applicants applying for assistance thereunder and for the making of all findings as may be required with regard to projects so assisted by it in conformance with overall programs for the economic development of redevelopment areas.

The Department of Commerce of the Commonwealth is further empowered and shall use its facilities and services in assisting the industrial development agencies in redevelopment areas in the preparation of sound overall programs for the economic development of such redevelopment areas, and where required by the Federal Act or a Federal agency in the administration thereof, certify its approval of such programs where the department finds the same to be soundly conceived and reasonable of accomplishment.

*(b) In further encouragement of the economic development in redevelopment areas, Industrial Development Authorities are further authorized and empowered to exercise the following additional powers:*

*(1) To enter into acquisition agreements providing for the construction and financing and for the leasing or sale of industrial and commercial development projects (including commercial and office buildings, parking garages, and buildings for service industries and the equipment and furnishing therefor) with a developer or other occupant or occupants, provided, however, any moneys borrowed by the Industrial Development Authority for any such project shall be secured by an assignment of leases or agreements of sale between said Industrial Development Authority and the actual occupants of said project (or of subleases by a developer to the actual occupants) the rentals or payments of which, in the aggregate, shall be reasonably calculated to pay the indebtedness and other obligations of the Industrial Development Authority incurred to pay the costs of the project.*

*(2) In establishing an industrial development project by an Industrial Development Authority in a redevelopment area pursuant to this act, the provisions of the Industrial Development Authority Law shall apply, unless inconsistent herewith, except that in approving the documents relating to the proceedings for a project hereunder, the Secretary of Commerce shall determine that: (i) the project does not violate section 6 (d) of the Industrial Development Authority Law; (ii) that the lease or leases or the agreement or agreements of sale shall be in accordance with section 6 (b) of the Industrial Development Authority Law, except that the aggregate of the rentals or payments to be paid in relation to a given project may be considered in determining that there will be funds reasonably calculated to pay the indebtedness and to pay all other obligations incurred by the Industrial Development Authority in establishing said project; (iii) that the proceedings are in conformity with this act and, where not inconsistent,*

*with the Industrial Development Authority Law; and (iv) the project will accomplish the public purpose of this act.*

APPROVED—The 31st day of August, A. D. 1971.

MILTON J. SHAPP

The foregoing is a true and correct copy of Act of the General Assembly No. 99.

A handwritten signature in black ink, reading "C. McLaughlin Tucker". The signature is written in a cursive, flowing style with a large initial "C" and a prominent "T" at the end.

*Secretary of the Commonwealth.*