

No. 1992-103

AN ACT

HB 2791

Amending the act of July 10, 1989 (P.L.313, No.52), entitled "An act establishing an industrial communities action program for making grants to industrial communities to complement private investment at industrial sites; and prescribing requirements of and conditions for grants," further providing for definitions, for project eligibility and for time limit on award of grants.

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

Section 1. Sections 3, 5 and 9 of the act of July 10, 1989 (P.L.313, No.52), known as the Industrial Communities Action Program Act, are amended to read:

Section 3. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Community." A city, borough, incorporated town, township or home rule municipality other than a county.

"Department." The Department of Commerce of the Commonwealth.

"Investor/developer." Any person, partnership, corporation or other business entity that is engaged in the development, for use by occupants, of one or more projects and that is determined by the department to be financially responsible to assume all obligations in the acquisition, development, construction, leasing, sale, operation and financing, in whole or part, of a project.

"Local sponsor." The term includes the following:

- (1) A municipality.
- (2) An industrial and commercial development authority organized pursuant to, or industrial development authority as certified by the department under, the act of August 23, 1967 (P.L.251, No.102), known as the Industrial and Commercial Development Authority Law.
- (3) An industrial development corporation [certified] as defined under the act of May 17, 1956 (1955 P.L.1609, No.537), known as the Pennsylvania Industrial Development Authority Act.
- (4) A council of government organization or any multimunicipal agency organization created under the act of July 12, 1972 (P.L.762, No.180), referred to as the Intergovernmental Cooperation Law.
- (5) A municipal authority organized under the act of May 2, 1945 (P.L.382, No.164), known as the Municipality Authorities Act of 1945.
- (6) A redevelopment authority organized under the act of May 24, 1945 (P.L.991, No.385), known as the Urban Redevelopment Law.
- (7) A local development district of the Appalachian Regional Commission.

“Municipality.” Any county, city, borough, incorporated town, township or home rule municipality.

“Program.” The Industrial Communities Action Program established by this act.

“Project.” Any of the following activities:

- (1) The acquisition of land and buildings.
- (2) The demolition of buildings.
- (3) The clearing and preparation of land.
- (4) The construction of new industrial or manufacturing facilities.
- (5) The renovation of existing industrial or manufacturing facilities.
- (6) *The cleanup of hazardous waste materials.*
- (7) *The construction of new or the reconstruction of existing infrastructure or utilities.*

“Secretary.” The Secretary of Commerce of the Commonwealth.

Section 5. Project eligibility.

(a) Eligibility.—A local sponsor shall be eligible for a grant under the program for a project that meets all the following conditions:

[(1) The project will create multitenant facilities for manufacturing, industrial, research and development, or other industries that produce goods, as determined by the department.]

(1) The project will create multitenant facilities for use by manufacturing, industrial, research and development enterprises or other enterprises that the department determines will generate a substantial multiplier effect on the regional economy. Enterprises to occupy the facilities shall be found to be generating a substantial multiplier effect if:

(i) The enterprise offers employment comparable in wages and benefits to industrial enterprise activity in the region.

(ii) The enterprise provides goods or services which add value to the goods or services of other businesses important to the regional economy.

(iii) The enterprise performs services to customers outside the region.

(2) The project will be carried out under the direction and control of a responsible investor/developer, as determined by the department.

(3) The project shall demonstrate the potential to create, within five years after the completion of the project, one employment opportunity for each \$50,000 granted under the program.

(4) The investor/developer shall contribute equity to the project in an amount equal to at least 5% of the total eligible project cost.

(b) Maximum grant amount.—The maximum amount of grant funds awarded for any project shall not exceed 25% of the total eligible project cost and in no case shall the maximum amount of any one grant exceed \$1,000,000 *in the year of the award* nor a total of \$2,000,000 for any number of fiscal years. In addition, the total amount of grant funds awarded in any one fiscal year must be matched by private investment in an aggregate total equal to or greater than three times the amount of grant funds awarded.

(c) Private match.—In addition to the equity required under subsection (a), private match for the balance of project financing shall be identified to the satisfaction of the department. Private match may include other forms of private and public financing, but in no case may funds derived directly from Commonwealth sources be considered as private match. For the purposes of this act, funds received by local sponsors from the Commonwealth for pass-through to private companies or private developers shall be considered Commonwealth funds.

Section 9. Time limit on award of grants.

No grants shall be awarded by the department to any eligible applicant under this act after June 30, [1992] 1995.

Section 2. This act shall take effect in 60 days.

APPROVED—The 9th day of July, A. D. 1992.

ROBERT P. CASEY