

No. 1998-106

AN ACT

SB 491

Amending the act of July 11, 1996 (P.L.677, No.116), entitled "An act providing for an infrastructure development program, for grants and loans for infrastructure improvements in relation to private developer investment, for duties of the Department of Community and Economic Development and for eligibility requirements and application procedures; and making repeals," expanding the Infrastructure Development Program to include projects located on long-term vacant commercial sites; and providing for job retention.

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

Section 1. The definitions of "infrastructure improvements" and "private developer" in section 2 of the act of July 11, 1996 (P.L.677, No.116), known as the Infrastructure Development Act, are amended and the section is amended by adding definitions to read:

Section 2. 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:

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"Commercial property." Either of the following:

(1) A building, structure or facility or portion thereof which has been used or occupied or is intended, arranged or designed to be used or occupied for the purpose of operating a business, office, manufactory or public accommodation.

(2) Vacant land previously used for manufacturing, industrial, commercial or retail purposes which is offered for sale, lease or held for the purpose of constructing or locating thereon a building, structure or facility for the purpose of operating a business, office, manufactory or public accommodation.

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"Infrastructure improvements." The term includes the following:

(1) The construction or rehabilitation of the following:

(i) Drainage systems.

(ii) Energy facilities which generate and distribute power.

(iii) Sewer systems, including, but not limited to, the construction or repair of sewage collection lines and sewage treatment facilities.

(iv) Transportation facilities directly affecting the site of the proposed private investment, including:

(A) Roads providing access to the site.

(B) Parking facilities.

(C) Sidewalks.

(D) Bridges.

(E) Rails, including, but not limited to, the construction or rehabilitation of rail switches and signals, rail crossings and intermodal facilities.

(F) Ports, including, but not limited to, docking facilities, bulkheads and intermodal facilities, but not warehouses.

(G) Waterways, including, but not limited to, channel realignment, dredging and the construction or rehabilitation of locks.

(H) Airports, including, but not limited to, the construction or rehabilitation of runways, but not airport buildings.

(I) Pipelines transporting natural gas, but not vehicles associated with the operation of the pipelines.

(J) Facilities for the transmission of information, including, but not limited to, fiber-optic telecommunication lines.

(v) Water supply facilities, including, but not limited to, water lines and water storage, treatment and distribution facilities.

(2) The acquisition of land, rights-of-way and easements necessary to construct eligible infrastructure improvements.

(3) At former industrial sites:

(i) The acquisition of land and buildings by private developers.

(ii) The construction of new multitenant industrial or manufacturing buildings by developers.

(iii) The conversion of existing industrial or manufacturing buildings into multitenant buildings by private developers.

(3.1) At long-term vacant commercial sites:

(i) The acquisition of land and buildings by private developers.

(ii) The construction of new buildings for commercial use by developers.

(iii) The conversion of existing commercial buildings or structures by private developers.

(4) The demolition of buildings.

(5) The clearing and preparation of land.

(6) The cleanup of hazardous waste materials.

(7) The engineering, design and inspection costs associated with other eligible infrastructure improvements.

“Long-term vacant commercial site.” Commercial property which has been unoccupied and unused for at least one year prior to the date of application.

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“Private developer.” Any person, partnership, corporation or other for-profit business entity, or any nonprofit corporation whose purpose is the promotion or construction of industrial development projects, that is engaged in the development of real estate, for use by more than one private company

or for the reuse of long-term vacant commercial sites, and that is determined by the department to be financially responsible to assume all obligations proposed to be undertaken, including, but not limited to, acquisition, development, construction, leasing, sale, operation and financing.

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Section 2. Section 4 of the act is amended by adding a subsection to read:
Section 4. Eligibility requirements.

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(b.1) Job retention.—The private company shall retain or the private developer shall cause to be retained for a period of five years the number of full-time jobs that were in existence at the time of the loan.

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Section 3. Section 5 of the act is amended to read:
Section 5. Application procedure.

(a) Letter of intent.—An application for a grant, grant-to-loan or loan shall be initiated by a private company or private developer through a letter of intent to locate, expand, build or renovate a facility. The letter of intent shall be submitted to an applicant whose service area includes, at least in part, the site of the facility.

(b) Application.—Upon receipt of the letter of intent, an applicant may submit the letter of intent along with a request for an application to the department. Upon receipt of this information and a preliminary indication of project eligibility, the department shall provide an applicant with the application materials.

(c) Evaluation.—Upon receipt of a complete application, the department shall review the application based on the following criteria:

(1) The number of full-time equivalent jobs that will be created and retained and the amount of additional State and local tax revenue that will be directly generated by the private company's or private developer's new or expanded investment.

(2) In the case of a grant-to-loan or loan, the ability of the applicant, private company or private developer to repay the interest and principal.

(3) The increase in the Commonwealth's share of domestic and international commerce.

(4) For former industrial sites *and long-term vacant commercial sites*, the creation of opportunities to develop new facilities or expand existing facilities for private companies by eliminating, reducing or otherwise alleviating blight at the site.

Section 4. This act shall take effect in 60 days.

APPROVED—The 24th day of November, A.D. 1998.

THOMAS J. RIDGE