

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1468 Session of
1986

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LINCOLN, BRIGHTBILL, HANKINS, BODACK AND MUSTO, APRIL 10,
1986

REFERRED TO COMMUNITY AND ECONOMIC DEVELOPMENT, APRIL 10, 1986

AN ACT

1 Establishing a program within the Department of Commerce to
2 provide assistance to communities experiencing economic
3 distress by providing grants for the development of long-term
4 economic recovery strategies.

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

7 Section 1. Short title.

8 This act shall be known and may be cited as the Community
9 Economic Recovery Program Act.

10 Section 2. Legislative findings and declarations.

11 (a) Findings.--The General Assembly finds and declares that:

12 (1) There exist within this Commonwealth certain areas
13 where there is persistent unemployment and underemployment.

14 (2) Insufficient private investment in these areas
15 causes social and economic problems for the citizens of these
16 areas, including increased reliance on public assistance, and
17 a declining local tax base.

1 (3) In order to promote private investment in these
2 areas, local economic recovery strategies must be designed in
3 recognition of the many unique assets and resources available
4 in these communities.

5 (b) Intent.--It is the intent of the General Assembly to
6 assist economically disadvantaged communities to develop local
7 economic recovery strategies.

8 Section 3. Definitions.

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

12 "Community." A municipality, including counties, cities,
13 boroughs, incorporated towns, townships, home rule
14 municipalities and councils of local government.

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

17 "Distressed communities." Communities which are designated
18 as distressed by the Federal Department of Housing and Urban
19 Development under the Housing and Community Development Act of
20 1974 (Public Law 93-383, 42 U.S.C. § 5301 et seq.) or which meet
21 criteria promulgated by the department.

22 "Local development district." A multicounty regional agency
23 established by the Appalachian Regional Commission to undertake
24 economic and enterprise development activities.

25 "Secretary." The Secretary of Commerce of the Commonwealth.

26 Section 4. Purpose.

27 It is the purpose of this act to provide financial assistance
28 to distressed communities in this Commonwealth to enable them to
29 develop local economic recovery strategies and area marketing
30 plans designed to retain existing jobs, to assist in business

1 expansions or startups and to attract new industry.

2 Section 5. Program establishment.

3 There is hereby established, under the direction of the
4 department, a program to be known as the Community Economic
5 Recovery Program.

6 Section 6. Eligibility.

7 (a) General rule.--Applicants eligible to receive grants are
8 municipalities and groups of municipalities. Preference shall be
9 given to areawide and regional consortium applications.

10 (b) Applications.--Applicants must submit an application, in
11 a form and manner prescribed by the secretary, demonstrating the
12 need for developing a local economic recovery strategy and
13 describing a plan for developing such a strategy.

14 Section 7. Use of funds.

15 (a) General rule.--Grant funds shall be used to help develop
16 the local capacity to plan and to implement an economic recovery
17 strategy. Funding may be used for activities including, but not
18 limited to, the following:

19 (1) Identifying existing industries within the community
20 which may be in danger of leaving the area, and encouraging
21 the retention of these industries.

22 (2) Identifying growth industries, and developing plans
23 for encouraging the expansion of such industries within the
24 community.

25 (3) Analyzing the job skills of the unemployed labor
26 force and reviewing existing job training programs in order
27 to make recommendations on the upgrading of the skills of the
28 unemployed labor force.

29 (4) Itemizing infrastructure improvements necessary for
30 job creation.

1 (5) Cataloging the services of local economic
2 development agencies and ensuring that these agencies have
3 qualified personnel with knowledge of State and local
4 programs.

5 (6) Listing those areas in which the community has a
6 particular advantage over other locations, both inside and
7 outside this Commonwealth.

8 (7) Listing those areas in which the community is at a
9 disadvantage when attracting private capital, along with
10 making recommendations for alleviating these problems.

11 (8) Working with businesses and other organizations to
12 encourage the retention of existing jobs, the expansion of
13 existing firms and the attraction of new businesses, with
14 emphasis on projects that will help diversify the community's
15 economic base.

16 (b) Report.--A final report shall be submitted to the
17 department within one year of the award of funds and shall
18 include, as a minimum, a summary of the analyses performed and
19 the businesses assisted and a detailed list of locally supported
20 programs or projects planned, designed or implemented as part of
21 the local economic recovery strategy.

22 Section 8. Grant conditions.

23 Grants shall meet the following conditions:

24 (1) Individual grants shall not exceed \$50,000.

25 (2) No more than one grant per municipality shall be
26 awarded in any one State fiscal year.

27 Section 9. Application procedures.

28 (a) Form.--Applications for the Community Economic Recovery
29 Program funds shall be made to the department, in a form and
30 manner prescribed by the secretary.

1 (b) Coordination.--The department may require that local
2 development districts or counties coordinate the efforts of the
3 various municipalities within their region to insure that
4 communities are not duplicating grant proposals, including
5 encouraging adjacent jurisdictions that are individually
6 applying for a grant to pool resources and submit a joint
7 proposal, and encouraging those eligible jurisdictions not
8 applying for a grant to cooperate with adjacent jurisdictions
9 and apply for funding, if applicable.

10 (c) Contents of application.--The application shall contain
11 the following:

12 (1) Documentation that the community or communities meet
13 the eligibility criteria specified in this act.

14 (2) Justification of the need for State assistance in
15 developing a local community economic recovery strategy.

16 (3) A description of the organization that will
17 administer the funds and the reason why it can represent the
18 area in its revitalization effort, including statements from
19 other community groups in support of the application.

20 (4) A detailed description of the activities to be
21 carried out using the funds.

22 (5) A letter from the elected officials in each
23 municipality and county of the distressed area specifying
24 their support.

25 (6) Other information as specified by the department.

26 Section 10. Grant evaluation criteria.

27 (a) Analysis of application.--The department shall determine
28 from the application whether the community is eligible for
29 assistance and the proposed plan is likely to promote economic
30 growth. If the department determines that the applicant is not

1 qualified to develop a community economic recovery strategy, the
2 department may attempt to aid the applicant to establish a group
3 which is qualified, or to develop a revised plan which will best
4 carry out the purpose of revitalizing the particular community.

5 (b) Criteria.--In addition, in evaluating applications for
6 grants, the department shall consider the following specific
7 criteria:

8 (1) Community support and cooperation, including the
9 degree of public and private matching commitments.

10 (2) The degree of areawide or multicomunity
11 involvement, including the total population to be served by
12 the grant.

13 (3) Identification of critical economic needs or
14 opportunities.

15 (4) Consistency of the proposal with State economic
16 development strategies, goals or objectives.

17 (5) Other criteria as established by the department as
18 necessary to achieve the purposes of this act.

19 Section 11. Additional powers and duties of department.

20 The department may prescribe such application forms,
21 promulgate and publish rules, regulations, procedures and
22 application manuals, and request such information as may be
23 necessary to carry out the provisions of this act.

24 Section 12. Effective date.

25 This act shall take effect immediately.