

Empowering municipalities, counties and public transportation agencies to work cooperatively to establish Transit Revitalization Investment Districts (TRID), including partnerships with the National Railroad Passenger Corporation requiring planning studies, comprehensive plan and zoning amendments and use of existing statutes and techniques to achieve transit-oriented development, redevelopment, community revitalization and enhanced community character through TRID creation; establishing value capture areas as a means to reserve and use future, designated incremental tax revenues for public transportation capital improvements, related site development improvements and maintenance; promoting the involvement of and partnerships with the private sector in TRID development and implementation; encouraging public involvement during TRID planning and implementation; and providing for duties of the Department of Community and Economic Development.

TABLE OF CONTENTS

Chapter 1. General Provisions

- Section 101. Short title.
- Section 102. Declaration of policy.
- Section 103. Definitions.

Chapter 3. TRID Creation and Location

- Section 301. Criteria for proposed TRID.
- Section 302. TRID designation.
- Section 303. Management entity.
- Section 304. TRID planning study factors.
- Section 305. Roles and responsibilities of public transportation agencies and municipalities.
- Section 306. Amendments.
- Section 307. Municipal cooperation.

Chapter 3-A. Military Installation Remediation

- Section 301-A. Military installation remediation program.
- Section 301.1-A. Per- and Polyfluoroalkyl Substances Remediation Program.
- Section 302-A. Special funds.
- Section 303-A. Restrictions.
- Section 304-A. Duration.
- Section 305-A. Qualified authority.

Chapter 5. Land Development Powers of Public Transportation Agencies

- Section 501. Authority to acquire and improve property.
- Section 502. Development or redevelopment of property.
- Section 503. Coordination of development activities.
- Section 504. Development agreements.
- Section 505. Additional powers of management entities.
- Section 506. Prohibition on management entities.

Chapter 7. Value Capture Approaches

Section 701. Creation of value capture area.
Section 702. Financing of project costs.
Section 703. Applicability of other statutes.
Section 704. Private sector involvement.

Chapter 8. Grant of TRID Revenue

Section 801. Establishment.
Section 802. Approval.
Section 803. Additional powers of management entities.
Section 804. Prohibition on management entities.
Section 805. Transfers.
Section 806. Restrictions.
Section 807. Expiration.
Section 808. Commonwealth pledges.
Section 809. Guidelines.

Chapter 9. Community Involvement

Section 901. Public meeting to explain TRID and alternative implementation approaches.
Section 902. Public meeting to review proposed joint development plan and related improvements.
Section 903. Cooperation with neighborhood or community representatives.

Chapter 21. Miscellaneous Provisions

Section 2101. Repeal.
Section 2102. Effective date.

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

CHAPTER 1 GENERAL PROVISIONS

Section 101. Short title.

This act shall be known and may be cited as the Transit Revitalization Investment District Act.

Section 102. Declaration of policy.

The General Assembly finds and declares as follows:

(1) The overall purpose and legislative intent of this act is to authorize public transportation agencies throughout this Commonwealth to work cooperatively with counties, local governments, transportation authorities, the private sector and the National Railroad Passenger Corporation (AMTRAK) and other providers of public transportation and passenger rail services to create and designate Transit Revitalization Investment Districts (TRIDs).

(2) The specific purposes and intent of a designated TRID are to:

(i) Promote local, county and regional economic development and revitalization activities through private sector investment, reinvestment and joint development activities in conjunction with public transportation improvements.

(ii) Encourage multimunicipal, cooperative approaches to generate new investment, reinvestment and revitalization through transit-oriented development

around rail transit stations and along public transportation corridors.

(iii) Increase overall ridership on public transportation systems, including AMTRAK, while generating additional revenues for current and expanded services, capital improvements and related ongoing maintenance.

(iv) Encourage and support municipal and multimunicipal comprehensive plan implementation, including consistency of plans at the local, county and regional levels.

(v) Stimulate public-private partnerships created by prospective development opportunities around, within or adjacent to the transit system, station areas and transit system components.

(vi) Establish appropriate mechanisms to capture the real estate taxation and other values added by joint development activities for reinvestment in the transit system and local communities.

(vii) Encourage greater community involvement in TRID location, design and implementation and resulting investment activities.

(viii) Promote flexible, cooperative, coordinated and enhanced support for innovative, intermodal solutions in TRID development and implementation activities by municipal officials, public agencies, nonprofit organizations and the private sector.

(ix) Support TRID implementation by maximizing use of existing Federal and State laws and programs that are consistent with the purposes of this act.

(3) There is a lack of funding and knowledge relating to remediation needed at military installations to address PFAS contamination, and there is a need to provide for proper infrastructure in the water systems on military installations and surrounding parcels. ((3) added Nov. 27, 2019, P.L.695, No.101)

Section 103. 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:

"AMTRAK." The National Railroad Passenger Corporation.

"Bond." The term includes bond, note, instrument, refunding bond, refunding note or other evidence of indebtedness or obligation. (Def. added Nov. 4, 2016, P.L.1160, No.151)

"Department." The Department of Community and Economic Development of the Commonwealth.

"Deteriorated property." The term shall have the same meaning as in section 103 of the act of October 6, 1998 (P.L.705, No.92), known as the Keystone Opportunity Zone, Keystone Opportunity Expansion Zone and Keystone Opportunity Improvement Zone Act. (Def. added Nov. 27, 2019, P.L.695, No.101)

"Eligible project." Development or improvement within a TRID, including construction, infrastructure and site preparation, reconstruction or renovation of a facility within a TRID which will result in economic development or transit-oriented development in accordance with the TRID and the TRID planning study. (Def. added Nov. 4, 2016, P.L.1160, No.151)

"Management entity." Any of the following:

(1) A participating municipality, county or public transportation agency.

(2) A redevelopment authority, municipal authority, neighborhood improvement district management association, business improvement district or a similar governmental or nonprofit organization authorized to act in a manner consistent with the TRID planning study and with a service area compatible with the TRID.

(Def. added Nov. 4, 2016, P.L.1160, No.151)

"Military installation remediation project." A project or use of money by a qualified authority under section 303-A(a). (Def. added Nov. 27, 2019, P.L.695, No.101)

"Project costs." Any expenditures made or estimated to be made, or monetary obligations incurred or estimated to be incurred, which are listed in a TRID plan or agreement as costs of improvements that create economic development or revitalization within a TRID district, plus any costs incidental thereto. Project costs include, but are not limited to, the capital, financing, real property assembly, professional service, administrative, relocation, organizational and other necessary or convenient costs delineated in the act of July 11, 1990 (P.L.465, No.113), known as the Tax Increment Financing Act. (Def. added Nov. 4, 2016, P.L.1160, No.151)

"Public transportation agency." A public transit authority or similar entity, created through the laws of this Commonwealth, charged with the provision of mass transit services to the traveling public, that owns and maintains or is authorized to own and maintain a physical plant, including rolling stock, stations, maintenance and support facilities.

"Public transportation provider." A public or private entity that operates or is authorized to operate intercity or local commuter passenger rail services within this Commonwealth that are open to the general public and that owns and maintains or is authorized to own and maintain a physical plant, including rolling stock, stations, maintenance and support facilities.

"Qualified authority." A municipal authority established under 53 Pa.C.S. Ch. 56 (relating to municipal authorities) after the effective date of this definition by a qualified municipality for the purpose of funding military installation remediation projects. (Def. added Nov. 27, 2019, P.L.695, No.101)

"Qualified former military installation." A parcel that was previously used by a branch of the United States Armed Forces for a military installation that was officially disestablished based on the recommendation of the Defense Base Closure and Realignment Commission no more than 15 years prior to the effective date of this definition. The term shall not include a parcel which was used exclusively for housing. (Def. added Nov. 27, 2019, P.L.695, No.101)

"Qualified municipality." A municipality which has within its geographic bounds a qualified former military installation. (Def. added Nov. 27, 2019, P.L.695, No.101)

"Qualified tax." All of the following:

(1) Corporate net income tax, bank shares tax, personal income tax paid by shareholders, members or partners of Subchapter S corporations, limited liability companies, partnerships or amounts paid by sole proprietors on income other than passive activity income as defined under section 469 of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.) attributable under section 301-A(i) to a parcel designated under section 301-A(a)(4).

(2) Sales and use tax, only to the extent the tax is related to the activity of a qualified taxpayer within a parcel designated under section 301-A(a)(4). The term

includes sales and use taxes on material used for construction and business personal property to be used by a qualified taxpayer in a parcel designated under section 301-A(a)(4).

(3) Personal income tax withheld from employees by a qualified business for work performed in a parcel designated under section 301-A(a)(4).

(4) Realty transfer tax paid to the Commonwealth, for property purchased within a parcel designated under section 301-A(a)(4).

(5) Local taxes designated by a local taxing entity. The term does not include a cigarette tax.

(Def. added Nov. 27, 2019, P.L.695, No.101)

"Qualified taxpayer." A person conducting business for profit in a parcel designated under section 301-A(a)(4) or an individual whose primary residence is in a parcel designated under section 301-A(a)(4). The term does not include a person conducting business for profit that moved operations from a non-designated parcel in a county in which a qualified former military installation is located to the designated parcel after the effective date of this definition. (Def. added Nov. 27, 2019, P.L.695, No.101)

"Redevelopment authority." An authority created pursuant to the act of May 24, 1945 (P.L.991, No.385), known as the Urban Redevelopment Law. (Def. added Nov. 4, 2016, P.L.1160, No.151)

"Tax Reform Code of 1971." The act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971. (Def. added Nov. 27, 2019, P.L.695, No.101)

"Transit-oriented development." Development concentrated around and oriented to transit stations in a manner that promotes transit riding or passenger rail use. The term does not refer to a single real estate project but represents a collection of projects, usually mixed use, at a neighborhood scale that are oriented to a transit node.

"TRID." A Transit Revitalization Investment District created in accordance with this act.

"TRID planning study." A study required to be undertaken by one or more municipalities, with the active involvement of a public transportation agency and the pertinent county or counties, for the purpose of establishing the boundaries, existing environmental conditions, existing and proposed land use, property availability, real estate market conditions, development potential, including use of air space rights, required zoning amendments, desired infrastructure and necessary transportation-related improvements and a financial plan, including funding sources, a proposed amortization schedule where applicable and estimated future maintenance requirements, to support the designation and implementation of a proposed TRID.

"Value capture area." An area coincident with the boundaries of a TRID, established simultaneously with TRID designation, in accordance with this act, in which real estate tax revenues and any other designated tax revenues shall, at a minimum, be shared by the participating local jurisdiction or jurisdictions and public transportation agency or agencies for the purpose of implementing a TRID.

CHAPTER 3 TRID CREATION AND LOCATION

Section 301. Criteria for proposed TRID.

Local municipalities, counties, transportation authorities and public transportation agencies proposing to define and develop a TRID shall use the following criteria and process:

(1) Eligible TRID locations may include any geographic area of a municipality or municipalities, including vacant, underutilized or potentially redevelopable land, within an area not to exceed a radius of three-quarters mile from a railroad, transit, light rail, busway or similar transit stop or station, measured from the centerline of the track or roadway traversing the station or stop location. TRID designation may also include new station locations proposed in conjunction with a planned public transportation service, as defined on an adopted county, regional or public transportation agency plan.

(2) ((2) deleted by amendment)

(3) A local municipality or municipalities shall define and support the rationale for the TRID designation through a TRID planning study as well as appropriate amendments to the municipal comprehensive plan, zoning ordinance and other pertinent regulations.

(4) A local municipality may designate the county planning agency to undertake or assist the TRID planning study on its behalf.

(5) An existing neighborhood improvement district, tax increment district or urban renewal area may be used as the basis for the boundaries of a TRID when justified by the TRID planning study required in section 304.

(301 amended Nov. 4, 2016, P.L.1160, No.151)

Section 302. TRID designation.

(a) Designation.--Local municipalities and counties working with public transportation agencies, transportation authorities, AMTRAK, passenger rail transportation providers or any combination thereof may designate TRIDs in advance of implementation of a new public transit service or in conjunction with an existing public transportation service and in advance of or in conjunction with actual development proposals. A TRID and its boundaries shall be established by ordinance. In a city of the third class situate within a county of the second class A, the designation and boundaries of the TRID shall be made exclusively by the governing body of the county.

(b) Agreement.--To create a TRID, in addition to the planning study described in section 301(3), the municipality or municipalities shall enter into an agreement with the transit agency that approves the TRID planning study under section 301(3) and defines the activities, commitments and administrative and management roles of each party to the TRID, including any specific actions or financial participation to help implement the TRID. The agreement shall include the development agreement specified in section 504 as well as a description of the TRID management entity described in section 303.

(302 amended Nov. 4, 2016, P.L.1160, No.151)

Section 303. Management entity.

A participating local municipality or county, which made the designation under section 302, and the public transportation agency shall designate the management entity in the TRID agreement to administer, manage and facilitate the implementation of the TRID planning study.

(303 amended Nov. 4, 2016, P.L.1160, No.151)

Section 304. TRID planning study factors.

The scope and scale of transit improvements and community facility improvements, as well as any needed support facilities,

shall be assessed in the TRID planning study. The TRID planning study shall also serve as the basis for a comprehensive plan amendment to establish the TRID if the municipality has a currently adopted comprehensive plan. The following shall apply:

(1) The planning study shall consider the need for capital improvements to transit-related facilities and adjacent public infrastructure, including roads, sidewalks and water, sewer and storm drainage service and public facilities, as well as opportunities for private sector real estate development and ways in which such facilities, services and development can be financed.

(2) Municipalities and counties undertaking a TRID planning study shall receive priority consideration for planning grants and technical assistance from the department. Any funding provided by the department to assist with TRID planning studies, except where otherwise limited by law, shall require a match of 25%.

(3) Commonwealth agencies are directed to provide State resources, programs and new capital investments that will assist local governments, transportation authorities and public transportation agencies to implement TRIDS.

(304 amended Nov. 4, 2016, P.L.1160, No.151)

Section 305. Roles and responsibilities of public transportation agencies and municipalities.

As guidelines to implement the findings and recommendation of the TRID planning study, the following roles and responsibilities are defined:

(1) Identifying the scope and scale of needed or proposed transit capital improvements within the TRID area is the responsibility of the partnering public transportation agency. The cost, financing, phasing and schedule of all transit-related improvements shall be included in the public transportation agency's adopted capital program.

(2) Identifying the scope and scale of needed or proposed support facilities, highway accessways and community or neighborhood facility improvements, for example, sidewalks and recreation facilities, is the responsibility of the partnering county and local jurisdiction or jurisdictions and may include support from the private sector.

(3) Administration, management and facilitation of the TRID implementation are primarily the responsibility of the management entity, including, but without limitation, issuing bonds, securing grant funds and otherwise raising, expending and administering funds for TRID projects.

(305 amended Nov. 4, 2016, P.L.1160, No.151)

Section 306. Amendments.

If warranted by a changing economic or community condition, planning goal, real estate development, redevelopment opportunity or a demonstrated need for transit or community facility improvement, a TRID or TRID planning study may be amended. The following shall apply:

(1) The boundaries of a TRID may be expanded or reduced by an amendment to the ordinance establishing the TRID and shall be accompanied by justification for the boundary change supported by findings in the original or amended TRID planning study.

(2) A TRID planning study may be amended by approval of the municipality, municipalities or counties and the transit agency that are parties to the TRID designation under section 302.

(306 amended Nov. 4, 2016, P.L.1160, No.151)

Section 307. Municipal cooperation.

Nothing in this act shall preclude two or more municipalities or a municipality and a transportation authority from working together cooperatively with a public transportation agency to define and establish one or more TRIDs along a public transportation corridor, using the criteria established under this act.

CHAPTER 3-A
MILITARY INSTALLATION REMEDIATION
(Ch. added Nov. 27, 2019, P.L.695, No.101)

Section 301-A. Military installation remediation program.

(a) Applications.--

(1) A qualified authority shall submit an application to the Department of Revenue with a list of parcels. The list may include the following:

(i) A qualified former military installation.

(ii) A parcel in the qualified municipality which was previously subject to development restrictions due to the presence of the qualified former military installation.

(iii) No more than 100 acres of parcels in the qualified municipality which are deteriorated.

(2) The application shall include the relevant geographic data, parcel numbers, evidence of the development restrictions due to the presence of the qualified military installation and such additional information as prescribed by the Department of Revenue.

(3) A qualified authority may file an amended or supplemental application on an annual basis.

(4) Parcels included within applications that meet Department of Revenue criteria shall receive full designation for the program described in this section.

(5) A designation under paragraph (4) shall occur within 60 days after the submission of an application.

(b) Annual report.--By October 15, 2019, June 1, 2020, and June 1 each year thereafter, a qualified authority shall file an annual report with the Department of Revenue with all of the following information:

(1) A list of all qualified taxpayers located in parcels designated under subsection (a).

(2) A commitment from the governing board of a municipality that approves designating local revenue for use for the local efforts under section 303-A(c).

(c) Contents.--The annual report under subsection (b) shall include all businesses and residents located in or residing in the designated parcels and all businesses engaged in acquisition, development and construction in designated parcels during the prior calendar year. The annual report shall include for each business the address, the names of the business owners or corporate officers, State tax identification number, if available, and parcel number and a map with parcel numbers.

(d) Time.--If the annual report under subsection (b) is not timely provided to the Department of Revenue, the Department of Revenue may refuse to certify the eligible taxes for the purpose of the transfer under subsection (j) for the calendar year.

(e) Parcel report.--No later than November 15, 2019, September 1, 2020, and September 1 each year thereafter, each qualified taxpayer shall file a parcel report with the Department of Revenue in a form or manner required by the department that includes all of the following:

(1) The amount of each qualified tax paid to the Commonwealth by the qualified taxpayer for the prior calendar year.

(2) The amount of each qualified tax refund received from the Commonwealth for the prior calendar year by the qualified taxpayer.

(f) Penalties.--

(1) Failure to file a timely and complete parcel report under subsection (e) may result in the imposition of a penalty of the lesser of:

- (i) ten percent of all eligible tax due the taxing authority in the prior calendar year; or
- (ii) one thousand dollars.

(2) A penalty for a violation of subsection (e) shall be imposed, assessed and collected by the department under procedures specified in Article II of the Tax Reform Code of 1971. Money collected under this paragraph shall be deposited in the General Fund.

(3) Failure by a municipality to make a contribution in accordance with section 303-A(c) shall disqualify the municipality from the receipt of any funding under this chapter.

(g) Certification.--By January 15, 2020, December 1, 2020, and December 1 each year thereafter, the Department of Revenue shall:

(1) Determine the amount of eligible tax paid by each qualified taxpayer as on the parcel report, which qualified taxpayer appears on a timely filed annual report under subsection (b) and that made a timely parcel report under subsection (e).

(2) Determine the amount of eligible State tax refunds received less the amount of eligible State tax paid.

(3) Certify to the Office of the Budget the sum derived from adding the amounts determined under paragraphs (1) and (2).

(h) Content.--

(1) The certification may include the following:

- (i) Qualified taxes actually paid by qualified taxpayers for the appropriate calendar year.
- (ii) Qualified tax refunds paid to qualified taxpayers for the appropriate calendar year.

(2) The certification shall not include the following:

- (i) Qualified taxes paid by a qualified taxpayer that did not file a timely parcel report.
- (ii) Qualified taxes paid by a qualified taxpayer not appearing on the timely filed annual report.

(i) State tax liability apportionment.--For the purpose of making the calculations under the certification, the qualified tax liability of a qualified taxpayer shall be apportioned to the designated parcels under subsection (a)(4) by multiplying the State tax liability by a fraction, the numerator of which is the property factor plus the payroll factor plus the sales factor and the denominator of which is three, in accordance with the following:

(1) The property factor is a fraction, the numerator of which is the average value of the qualified taxpayers' real and tangible personal property owned or rented and used in the designated parcels during the tax period and the denominator of which is the average value of all the qualified business' real and tangible personal property owned or rented and used in this Commonwealth during the tax period but shall not include the security interest of any

corporation as seller or lessor in personal property sold or leased under a conditional sale, bailment lease, chattel mortgage or other contract providing for the retention of a lien or title as security for the sale price of the property.

(2) The following apply:

(i) The payroll factor is a fraction, the numerator of which is the total amount paid in the designated parcels during the tax period by the qualified taxpayer for compensation and the denominator of which is the total compensation paid in this Commonwealth during the tax period.

(ii) Compensation is paid in the designated parcels if:

(A) the person's service is performed entirely within the designated parcels;

(B) the person's service is performed both within and without the designated parcels, but the service performed without the designated parcels is incidental to the person's service within the designated parcels; or

(C) some of the service is performed in the designated parcels and the base of operations or, if there is no base of operations, the place from which the service is directed or controlled is in the designated parcels, or the base of operations or the place from which the service is directed or controlled is not in any location in which some part of the service is performed, but the person's residence is in the designated parcels.

(3) The sales factor is a fraction, the numerator of which is the total sales of the qualified taxpayer in the designated parcels during the tax period and the denominator of which is the total sales of the taxpayer in this Commonwealth during the tax period.

(i) Sales of tangible personal property are in the designated parcels if the property is delivered or shipped to a purchaser that takes possession within the designated parcels regardless of the F.O.B. point or other conditions of the sale.

(ii) Sales other than sales of tangible personal property are in the designated parcels if:

(A) the income-producing activity is performed in the designated parcels; or

(B) the income-producing activity is performed both within and without the designated parcels and a greater proportion of the income-producing activity is performed in the designated parcels than in any other location, based on costs of performance.

(j) Transfer.--Within five days of receiving the certification from the Department of Revenue, the Office of the Budget shall direct the State Treasurer to transfer the amount of certified qualified tax from the General Fund to each special fund established for the benefit of a qualified authority under section 302-A.

(k) State Treasurer.--Within 10 days of receiving direction under subsection (j), the State Treasurer shall pay into each special fund established under section 302-A the amount directed to the respective authority for use only as provided under section 303-A(a).

(301-A added Nov. 27, 2019, P.L.695, No.101)
Section 301.1-A. Per- and Polyfluoroalkyl Substances
Remediation Program.

(a) Establishment.--The Pennsylvania Infrastructure Investment Authority shall establish the Per- and Polyfluoroalkyl Substances Remediation Program.

(b) Purpose.--In addition to any other program of the Pennsylvania Infrastructure Investment Authority, from funds available to the Pennsylvania Infrastructure Investment Authority, the Pennsylvania Infrastructure Investment Authority shall provide grants under the Per- and Polyfluoroalkyl Substances Remediation Program for the costs of remediation relating to the presence of per- and polyfluoroalkyl substances in drinking water which are not related to the presence of a qualified former military installation.

(c) Guidelines.--The Pennsylvania Infrastructure Investment Authority shall establish guidelines for the Per- and Polyfluoroalkyl Substances Remediation Program.

(d) Eligible applicants.--A water provider with per- and polyfluoroalkyl substances present in drinking water may apply to the Pennsylvania Infrastructure Investment Authority for a grant under the Per- and Polyfluoroalkyl Substances Remediation Program.

(301.1-A added Nov. 27, 2019, P.L.695, No.101)
Section 302-A. Special funds.

(a) Notice.--Following the approval of an application under section 301-A, a qualified authority shall notify the State Treasurer who shall create a special fund to be known as the Military Installation Remediation Fund.

(b) Establishment.--Upon receipt of notice under subsection (a), the State Treasurer shall establish for each qualified former military installation a restricted account within the special fund for the benefit of the qualified authority. Interest income derived from the investment of money in a restricted account shall be credited by the State Treasury to the restricted account.

(302-A added Nov. 27, 2019, P.L.695, No.101)
Section 303-A. Restrictions.

(a) Use.--

(1) Except as provided under paragraph (2) and (3), money transferred under section 301-A shall be used for the operational costs for the qualified authority.

(2) Money under this paragraph shall be allocated in proportion to the amount of local effort under subsection (c). Money transferred under section 301-A in excess of the amount used under paragraph (1), to the extent such funds are available, shall be used to do any of the following:

(i) Offset a surcharge applied to customers of a water provider relating to the costs of remediation relating to per- and polyfluoroalkyl substances present in drinking water related to the presence of a former military installation.

(ii) Offset an amount attributable to an amount billed to customers of a water provider relating to the costs of remediation relating to per- and polyfluoroalkyl substances present in drinking water related to the presence of a former military installation.

(iii) Offset the cost of connecting a residence with a private well which is impacted by the presence of per- and polyfluoroalkyl substances in drinking water related to a former military installation to a public water supply.

(3) Money transferred under section 301-A in excess of the amount used under paragraphs (1) and (2), to the extent

such funds are available, may be used for any of the following:

(i) The transportation infrastructure and economic development costs within a qualified municipality to encourage redevelopment of the qualified former military installation.

(ii) The payment of debt service on bonds issued or refinanced for the acquisition, development, construction, including related infrastructure and site preparation, reconstruction, renovation or refinancing of a project under subparagraph (i).

(b) Applications.--The qualified authority shall establish an application process for allocations under this section.

(c) Local effort.--A municipality or municipal authority may make contributions to the qualified authority. A contribution under this subsection shall be made no later than November 15, 2019, June 1, 2020, and June 1 each year thereafter to be considered under section 303-A(d).

(d) Limitations on transfers.--Money transferred to a special fund under section 301-A may not exceed 500% of the local taxes and additional money designated and transferred to the qualified authority by a municipality or municipal authority during the year.

(e) Excess money.--

(1) If the amount of money transferred to a fund in any one calendar year exceeds the money utilized, designated or budgeted under this section in that calendar year, the qualified authority shall submit by April 15 following the end of the calendar year the excess money to the State Treasurer for deposit into the General Fund.

(2) At the time of submission to the State Treasurer, the contracting authority shall submit to the State Treasurer, the Office of the Budget and the Department of Revenue a detailed accounting of the calculation resulting in the excess money.

(303-A added Nov. 27, 2019, P.L.695, No.101)

Section 304-A. Duration.

An application approved under section 301-A(a) shall be in effect for a period no later than 30 years from the effective date of this section.

(304-A added Nov. 27, 2019, P.L.695, No.101)

Section 305-A. Qualified authority.

(a) Composition.--Notwithstanding 53 Pa.C.S. § 5610(a) (relating to governing body), the governing body of a qualified authority shall be composed of the following members:

(1) Two members subject to the following:

(i) If a member of the Senate has a permanent residence in the qualified municipality, the member shall be a member of the governing body.

(ii) If a member of the Senate has a permanent residence in a municipality which is immediately adjacent to a qualified municipality and that municipality has within its geographic bounds a former military installation where activities caused per- and polyfluoroalkyl public drinking water contamination, the member shall be a member of the governing body.

(iii) If either subparagraph (i) or (ii) do not apply, the President pro tempore of the Senate shall appoint a permanent resident or residents of the appropriate municipality to the governing body.

(2) Two members subject to the following:

(i) If a member of the House of Representatives has a permanent residence in the qualified municipality, the member shall be a member of the governing body.

(ii) If a member of the House of Representatives has a permanent residence in a municipality which is immediately adjacent to a qualified municipality and that municipality has within its geographic bounds a former military installation where activities caused per- and polyfluoroalkyl public drinking water contamination, the member shall be a member of the governing body.

(iii) If either subparagraph (i) or (ii) do not apply, the Speaker of the House of Representatives shall appoint a permanent resident or residents of the appropriate municipality to the governing body.

(3) One permanent resident of the qualified municipality appointed by a school district which has within its geographic bounds a qualified former military installation.

(4) One permanent resident of the qualified municipality appointed by an authority established to redevelop the qualified former military installation.

(5) One permanent resident of the qualified municipality appointed by the governing body of the qualified municipality.

(b) Terms.--The following shall apply:

(1) Members appointed under subsection (a) (1), (2) and (4) shall serve for a term of five years.

(2) All other members shall serve for a term of four years.

(c) Salary and expenses.--Members may not receive a salary but may be reimbursed for necessary and reasonable expenses incurred in the performance of their duties.

(305-A added Nov. 27, 2019, P.L.695, No.101)

Compiler's Note: Section 38(6) of Act 54 of 2022 provided that section 305-A(a) is repealed insofar as it is inconsistent with section 1730-E(c) (2.1) of Act 176 of 1929.

CHAPTER 5

LAND DEVELOPMENT POWERS OF PUBLIC TRANSPORTATION AGENCIES

Section 501. Authority to acquire and improve property.

Consistent with the existing authority or limitations of public transportation agencies to condemn and acquire land for public transportation purposes, such entities are hereby authorized to acquire and improve property located within a designated TRID for real estate development purposes provided such acquisition and improvement:

(1) Is consistent with any pertinent municipal comprehensive plan and TRID planning study.

(2) Is coordinated with pertinent county and local jurisdictions and redevelopment or other special purpose authorities.

(3) Furthers the stated purposes of this act.

(4) Does not exceed the minimum land area necessary to accomplish the needs specified in the TRID planning study and the development agreement.

Section 502. Development or redevelopment of property.

Development or redevelopment of property within a TRID shall generally occur in the following manner:

(1) The public transportation agency, municipality or management entity may acquire the property, improve it for

future development, such as site clearance, utility work, environmental remediation and similar improvements, and work cooperatively with the pertinent local jurisdiction or jurisdictions and implementing agencies to offer it for sale to the private sector for use or uses consistent with the adopted TRID plan.

(2) Alternatively, the public transportation agency, municipality or management entity may advertise the presence of available development sites within a TRID, including a map of potentially developable or redevelopable properties, and invite interested developers to submit proposals in cooperation with the pertinent local jurisdiction or jurisdictions and implementing agencies.

(3) In the case of either paragraph (1) or (2), the public transportation agency may not be the primary real estate developer, and joint development activities are confined to the construction of support and access facilities: that is, vehicular access, parking, pedestrian ways, building pads, foundation columns, signage and similar items.

(4) Similar to, but not limited by, the act of July 11, 1990 (P.L.465, No.113), known as the Tax Increment Financing Act, a public transportation agency, municipality, management entity or a designated agent may issue bonds, deposit money into the TRID account and enter into any contracts or agreements, including agreements with bondholders, as determined to be necessary or convenient to implement the provisions and effectuate the purposes of TRID project plans. The contracts or agreements may include conditions, restrictions or covenants which either run with the land or otherwise regulate the use of the land.

(5) Creative partnerships with AMTRAK, passenger rail transportation providers, transportation authorities and the private sector to accomplish TRID purposes that use the benefits of AMTRAK's and passenger rail service providers' existing real estate development powers are both desirable and encouraged.

(6) ((6) deleted by amendment)

(502 amended Nov. 4, 2016, P.L.1160, No.151)

Section 503. Coordination of development activities.

The public transportation agency shall coordinate development activities with the pertinent county or local redevelopment authority, planning commission and governing body. If such entities are able to accommodate the land acquisition or marketing needs of the TRID in a more timely fashion, an agreement may be established between the public transportation agency and such entities to implement this aspect of the overall TRID program.

Section 504. Development agreements.

In furtherance of the agreement specified in section 302, the partnering municipality, transportation authority, public transportation agency and, if participating, county representatives, including the designated management entity, shall enter into a development agreement with the pertinent private sector development organization or organizations to implement the proposed TRID. The development agreement shall stipulate the final project scope as well as the partners' roles, responsibilities, financing arrangements, schedule of improvements and the exactions or contributions to the project.

Section 505. Additional powers of management entities.

In addition to other powers and functions of management entities granted under this act, a management entity shall have

the power to provide or borrow money for purposes of executing a TRID, a TRID planning study or for an eligible project. A management entity may also issue bonds, if permitted to do so under Commonwealth statute, for the purposes of executing a TRID, a TRID planning study or for an eligible project.

(505 added Nov. 4, 2016, P.L.1160, No.151)

Section 506. Prohibition on management entities.

A member of the management entity may not receive money directly or indirectly from the TRID.

(506 added Nov. 4, 2016, P.L.1160, No.151)

CHAPTER 7

VALUE CAPTURE APPROACHES

Section 701. Creation of value capture area.

In conjunction with the formal establishment of the TRID boundaries, a coterminous value capture area shall simultaneously be created to enable local municipalities, school districts, the county and the public transportation agency to share the increased tax increment of real estate and other designated tax revenues generated by new real estate investment within the TRID. The participants in the TRID, through the designated management entity, shall develop an administrative and project schedule and budget to implement the project, including future maintenance needs, as defined in the TRID planning study, as well as the shares and use of the incremental revenues as are projected to be generated from the TRID value capture area. The participating municipality or municipalities may review and revise the TRID budget.

(701 amended Nov. 4, 2016, P.L.1160, No.151)

Section 702. Financing of project costs.

A portion of incremental tax revenues transferred to a TRID shall be dedicated to completion and future maintenance of the specific and necessary transit capital and public infrastructure improvements designated in the comprehensive plan amendment and TRID planning study as follows:

(1) Local taxing bodies shall approve that portion of revenues which shall be dedicated to support TRID implementation and that portion which shall be dedicated for general government purposes.

(1.1) A public transportation agency may not use the revenue for a transit capital investment outside of a designated TRID except if the investment is necessary and integral to achieve an approved TRID implementation objective.

(2) Local municipalities, school districts and the county shall establish an amortization schedule for receipt, investment and expenditure of any TRID tax incremental revenues similar to, but not limited by, the financing of costs provisions in the act of July 11, 1990 (P.L.465, No.113), known as the Tax Increment Financing Act. Incremental tax revenue generated by a TRID property may be directed for use in TRID projects or eligible projects, including for use in financing a bond the proceeds of which are used in TRID projects or eligible projects, for up to 20 years from the date a property is designated as a parcel in a TRID.

(3) For the purposes of this act, project costs and the financing thereof shall be regarded as like and similar to the provisions delineated in the Tax Increment Financing Act.

(702 amended Nov. 4, 2016, P.L.1160, No.151)

Section 703. Applicability of other statutes.

Local municipalities, counties, transportation authorities, the public transportation agency and local property owners are encouraged and may make maximum use of existing laws and regulations to advance and further implement TRID purposes. Without limitation, application of the following acts and similar acts as well as pertinent Federal programs and statutes are consistent with the intent of TRID implementation:

(1) Act of May 24, 1945 (P.L.982, No.383), known as the Redevelopment Cooperation Law.

(2) Act of May 24, 1945 (P.L.991, No.385), known as the Urban Redevelopment Law.

(3) Act of December 1, 1977 (P.L.237, No.76), known as the Local Economic Revitalization Tax Assistance Act.

(4) Act of July 9, 1985 (P.L.187, No.47), known as the Transportation Partnership Act.

(5) Act of July 11, 1990 (P.L.465, No.113), known as the Tax Increment Financing Act.

(6) Act of July 11, 1996 (P.L.677, No.116), known as the Infrastructure Development Act.

(7) Act of October 6, 1998 (P.L.705, No.92), known as the Keystone Opportunity Zone, Keystone Opportunity Expansion Zone and Keystone Opportunity Improvement Zone Act.

(8) Act of December 20, 2000 (P.L.949, No.130), known as the Neighborhood Improvement District Act.

Section 704. Private sector involvement.

Nothing described in this act shall preclude a private sector entity from offering to implement or finance needed public transportation or community improvements at the initiation of or concurrent with proposed TRID-related real estate development.

CHAPTER 8

GRANT OF TRID REVENUE

(Ch. added Nov. 4, 2016, P.L.1160, No.151)

Section 801. Establishment.

There is established a special fund in the State Treasury to be known as the TRID Fund. Moneys deposited into the fund and interest which accrues from those funds shall be used for the purposes delineated in this chapter.

(801 added Nov. 4, 2016, P.L.1160, No.151)

Section 802. Approval.

(a) Submission.--A management entity may apply to the department for the purposes of funding an eligible project or for covering debt service payments related to debt incurred to fund an eligible project.

(b) Agencies.--The department, in consultation with the Office of the Budget, shall approve two applications within six months of the effective date of this section and may approve additional applications thereafter.

(c) Approval schedule.--The department shall develop a schedule for the approval of applications.

(d) Reapplication.--If an application is not approved under this section, the applicant may revise the application and plan and reapply for approval.

(802 added Nov. 4, 2016, P.L.1160, No.151)

Section 803. Additional powers of management entities.

In addition to other powers and functions of management entities granted under this act, a management entity shall have the power to borrow money for the purposes of executing a TRID or TRID planning study for which an application has been approved under section 802.

(803 added Nov. 4, 2016, P.L.1160, No.151)
Section 804. Prohibition on management entities.

A member of the management entity may not receive money directly or indirectly from the TRID Fund.

(804 added Nov. 4, 2016, P.L.1160, No.151)
Section 805. Transfers.

(a) Matching funds.--The amount of money transferred from the TRID Fund utilized for the construction, including related site preparation and infrastructure, reconstruction or renovation of facilities, shall be matched by other sources of funding at a ratio of two fund dollars to one private dollar.

(b) Report.--By April 1, following year one, and for each year thereafter, the management entity shall file an annual report with the department and the Office of the Budget that contains a detailed account of the TRID Fund money expenditures and the expenditures of funds from other sources and a calculation of the ratio in subsection (a) for the prior calendar year. The agencies shall determine whether sufficient funding from other sources was utilized.

(c) Credit of matching funds.--For the purposes of meeting the matching funding requirement, the agencies shall allow a management entity to demonstrate that a multiyear eligible matching funding investment was made in a particular year. In subsequent years, the management entity shall refer to the gross matching fund investment in the year it was established and carry forward a credit in an amount of the original investment minus the funds already applied as a matching fund requirement, up to the remaining matching funds.

(d) Deduction.--If it is determined that insufficient funding from other sources was utilized under subsection (a), the amount of TRID Fund money utilized under subsection (a) in the prior calendar year shall be deducted from the next transfer of the fund.

(e) Financial approval.--Upon being satisfied that all requirements have been met, including private dollar match, the department shall notify the State Treasurer to issue a grant in an amount not to exceed \$350,000 annually, as established by the Secretary of the Budget per TRID.

(f) Sales tax transfer.--On June 1, 2016, and on each June 1 for the next 20 calendar years, \$700,000 from the tax imposed by Article II of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, shall be transferred to the TRID Fund for payment to the first two TRIDs approved under section 802(b).

(g) Remaining TRID Fund money.--Each year after the transfers from the TRID Fund to the TRIDs under subsection (f), any money remaining in the TRID Fund shall be returned to the General Fund.

(h) Grants to other TRIDs.--For any TRID other than the first two TRIDs approved under section 802(b), the department may provide grants of up to \$350,000 each year for the purposes delineated in this chapter.

(805 added Nov. 4, 2016, P.L.1160, No.151)
Section 806. Restrictions.

(a) Utilization.--If the use was approved in an application filed under section 802, money transferred under section 805 may only be utilized for the following:

(1) Payment of debt service on bonds issued for the construction, including related infrastructure and site preparation, reconstruction or renovation of a facility in the TRID.

(2) Construction, including related infrastructure and site preparation, reconstruction or renovation of all or a part of a facility.

(3) Replenishment of amounts in debt service reserve funds established to pay debt service on bonds.

(4) Improvement or development of all or part of a TRID.

(5) Improvement projects, including fixtures and equipment for a facility owned by a public authority.

(b) Excess money.--

(1) If the amount of money transferred to the fund under section 805 in any one calendar year exceeds the money utilized under this section in that calendar year, the management entity shall submit by January 15 following the end of the calendar year the excess money to the State Treasurer for deposit into the General Fund.

(2) At the time of submission to the State Treasurer, the management entity shall submit to the State Treasurer, the Office of the Budget and department a detailed accounting of the calculation resulting in the excess money.

(806 added Nov. 4, 2016, P.L.1160, No.151)

Section 807. Expiration.

The TRID Fund shall expire on December 31, 2035. Upon expiration, money in the fund not encumbered shall lapse to the General Fund.

(807 added Nov. 4, 2016, P.L.1160, No.151)

Section 808. Commonwealth pledges.

(a) Pledge.--If and to the extent the management entity pledges amounts required to be transferred to the TRID Fund under section 805 for payment of bonds issued by the management entity, until all bonds secured by the pledge of the management entity, together with interest on the bonds, are fully paid or provided for, the Commonwealth pledges to and agrees with any person, firm, corporation or government agency, in this Commonwealth or elsewhere and pledges to and agrees with any Federal agency subscribing to or acquiring the bonds of the management entity that the Commonwealth will not, nor will it authorize any government entity to, do any of the following:

(1) Abolish or reduce the size of the TRID.

(2) Limit or alter the rights vested in the management entity in a manner inconsistent with the obligations of the management entity with respect to the bonds issued by the management entity.

(3) Impair revenue to be paid under this chapter to the management entity necessary to pay debt service on bonds.

(b) Limitation.--Nothing under this section shall limit the authority of the Commonwealth to change the rate, base or subject of a specific tax or to repeal or enact any tax.

(808 added Nov. 4, 2016, P.L.1160, No.151)

Section 809. Guidelines.

The department and the Office of the Budget shall develop and publish guidelines necessary to implement this chapter.

(809 added Nov. 4, 2016, P.L.1160, No.151)

CHAPTER 9 COMMUNITY INVOLVEMENT

Section 901. Public meeting to explain TRID and alternative implementation approaches.

Community and public involvement in the establishment of TRIDs is required. The municipality and the public transportation agency shall jointly conduct at least one public meeting in the proposed TRID area prior to the enactment of a TRID and TRID planning study. The meeting is intended to explain

the purpose and components of the TRID and the alternative implementation approaches. The public meeting or meetings shall be in addition to any required local government public hearing or hearings prior to comprehensive or multimunicipal plan amendment adoption. However, nothing in this act shall relieve the municipality or public transportation agency from conducting all public meetings required by law where the TRID is acting or seeking to act under the:

(1) Act of May 24, 1945 (P.L.991, No.385), known as the Urban Redevelopment Law.

(2) Act of July 11, 1990 (P.L.465, No.113), known as the Tax Increment Financing Act.

(3) Act of December 20, 2000 (P.L.949, No.130), known as the Neighborhood Improvement District Act.

(901 amended Nov. 4, 2016, P.L.1160, No.151)

Section 902. Public meeting to review proposed joint development plan and related improvements.

The municipality and the public transportation agency shall jointly conduct at least one public meeting in the TRID area to review the proposed joint development plan and its related public improvements prior to implementation.

Section 903. Cooperation with neighborhood or community representatives.

The municipality and the public transportation agency shall encourage private sector real estate entities and land developers to work proactively and cooperatively with pertinent neighborhood or community representatives during the planning and implementation of TRID development proposals.

CHAPTER 21

MISCELLANEOUS PROVISIONS

Section 2101. Repeal.

All acts and parts of acts are repealed insofar as they are inconsistent with this act.

Section 2102. Effective date.

This act shall take effect in 60 days.