

TESTIMONY

before the

HOUSE

ENVIRONMENTAL

RESOURCES AND

ENERGY COMMITTEE

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PEDA BOARD MEMBER

and

CHAIRMAN LEGISLATIVE
AFFAIRS COMMITTEE

GOOD AFTERNOON! MY NAME IS DAVID B. CARVER, AND I AM PRESIDENT OF THE YORK COUNTY INDUSTRIAL DEVELOPMENT CORPORATION AND A MEMBER OF THE BOARD OF THE PENNSYLVANIA ECONOMIC DEVELOPMENT ASSOCIATION (PEDA). PEDA IS A STATE-WIDE ASSOCIATION OF 275 ECONOMIC DEVELOPMENT PRACTITIONERS REPRESENTING COMMUNITY-BASED INDUSTRIAL DEVELOPMENT CORPORATIONS, INDUSTRIAL DEVELOPMENT AUTHORITIES, RAILROADS, UTILITIES, BANKS, REALTORS, ETC. OUR MEMBERS ARE INSTRUMENTAL IN THE FORMULATION, IMPLEMENTATION, AND PROMOTION AND DELIVERY OF ECONOMIC DEVELOPMENT INITIATIVES AIMED AT THE SELECTIVE ATTRACTION OF NEW INDUSTRIES TO THE COMMONWEALTH, THE RETENTION AND EXPANSION OF EXISTING BUSINESSES, AND THE START-UP OF NEW ENTERPRISES. VIRTUALLY ALL LOCAL STRATEGIES ARE COORDINATED CLOSELY WITH THE DEPARTMENT OF COMMERCE. OUR GOAL IS TO FACILITATE COMMUNITY-SUPPORTED STRATEGIES WHICH ARE CONDUCIVE TO CAPITAL INVESTMENT AND EMPLOYMENT CREATION AND RETENTION.

FOR THE LAST 35+ YEARS IN PENNSYLVANIA, ECONOMIC DEVELOPMENT TRENDS AND STRATEGIES HAVE MIRRORED HOUSING CHARACTERISTICS...NAMELY INNER CITY FLIGHT-TO-SUBURBIA. (IN THIS

CASE, INNER CITY EQUATES TO ANY INCORPORATED BOROUGH OR CITY; SUBURBIA GENERALLY REFLECTS ADJOINING TOWNSHIPS.) THE DEVELOPMENT OF OUR TRANSPORTATION NETWORK AND WATER AND SEWER INFRASTRUCTURE HAVE FUELED THE SUBURBAN SPRAWL. LIKE THE MULTITUDE OF HOUSING PROJECTS WHICH HAVE SPRUNG UP ON FORMER FARMS, SO TOO HAVE MOST OF THE INDUSTRIAL PARK PROJECTS THROUGHOUT THE COMMONWEALTH. VIRTUALLY ALL NEW GROWTH HAS BEEN THE RESULT OF GREENFIELD DEVELOPMENT.

WHAT HAS BEEN THE RESULT OF THE LAST 35 YEARS? WHEN ASSESSING INDIVIDUAL PROJECTS, THEY RUN THE GAMUT OF OUTSTANDING-TO-"SHOULD NEVER HAVE BEEN DONE". OFTEN TIMES, THE SUCCESS OF LOCAL PROJECTS IS DEPENDENT ON LOCAL RESOURCES AND EXPERTISE. CLEARLY THERE ARE PROTOTYPE INDUSTRIAL PARKS THROUGHOUT THE COMMONWEALTH...ESPECIALLY IN SOUTHCENTRAL AND SOUTHEASTERN PENNSYLVANIA. RIDC, IN ALLEGHENY COUNTY, HAS A NATIONAL REPUTATION FOR EXCELLENCE. UNFORTUNATELY, THERE ARE MANY EXAMPLES OF ILL-CONCEIVED AND DEVELOPED PROJECTS. HOWEVER, GOOD OR BAD, OUR POLICIES FOR THE LAST 35 YEARS HAVE SEVERAL COMMONALITIES:

(1) THEY HAVE CONTRIBUTED TO THE DECLINE OF OUR CITIES BY CREATING TREMENDOUS INEQUITIES IN THE DISTRIBUTION OF WEALTH. THERE IS GENERALLY A MAJOR DISPARITY BETWEEN TOWNSHIPS AND CITIES WITH RESPECT TO EDUCATIONAL SYSTEMS AND TAXES. MORE IMPORTANTLY, THERE ARE TREMENDOUS INEQUITIES REGARDING THE OPPORTUNITIES FOR GROWTH - TOWNSHIPS CAN...MOST CITIES CANNOT.

(2) THEY HAVE ELIMINATED THOUSANDS OF ACRES OF AGRICULTURAL LAND...WHICH WILL OBVIOUSLY IMPACT THE LONG RANGE ROLE OF AGRICULTURE IN THE COMMONWEALTH.

(3) THEY SEPARATED ECONOMIC DEVELOPMENT FROM COMMUNITY DEVELOPMENT...HOWEVER, THE TWO ARE INTRINSICALLY INTERRELATED. COMMUNITY AND ECONOMIC DEVELOPMENT POLICIES IN PENNSYLVANIA ARE A REFLECTION OF OUR JEFFERSONIAN SYSTEM OF LOCAL GOVERNMENT. ALTHOUGH WE ALL SPEAK OF AND ENCOURAGE PLANNED STRATEGIES, PENNSYLVANIA IS PROBABLY THE MOST DIFFICULT STATE IN WHICH TO ACTUALLY DO IT. UNTIL SOME STRUCTURAL CHANGES ARE MADE, OUR STRATEGIES WILL REMAIN FRAGMENTED AND THE INEQUITIES BETWEEN SUBURBIA AND THE INNER CITIES WILL CONTINUE TO GROW.

THE POINT OF THIS INTRODUCTION WAS TO PREFACE THE NEED FOR

ECONOMIC DEVELOPMENT LEGISLATION WHICH BRIDGES THE GAP BETWEEN COMMUNITY AND ECONOMIC DEVELOPMENT; WHICH LESSENS THE DEVELOPMENT OF PRIME FARMLAND; AND WHICH CREATES THE OPPORTUNITY FOR RENEWED URBAN REDEVELOPMENT AND WITH IT THE LONG RANGE OPPORTUNITY FOR THE REDISTRIBUTION OF WEALTH. THE INTRODUCTION AND PASSAGE OF INDUSTRIAL AND COMMERCIAL LAND RECYCLING LEGISLATION IS A MAJOR STEP IN THE PROPER DIRECTION.

PEDA IS FULLY SUPPORTIVE OF THE INDIVIDUAL PIECES OF LEGISLATION WHICH HAVE BEEN INTRODUCED AS SB1, 11, & 12. REGARDING SPECIFIC LEGISLATION, SB1 IS CLEARLY IN NEED OF ENACTMENT AS IT DEFINES A PROCESS FOR THE REUSE OF ABANDONED INDUSTRIAL SITES. SB 12 SENDS A POSITIVE SIGNAL TO THE ECONOMIC DEVELOPMENT AND BUSINESS COMMUNITY AND CREATES REALISTIC OPPORTUNITIES FOR THE RECYCLING OF INDUSTRIAL AND COMMERCIAL PROPERTIES. PEDA ENDORSES FAR-REACHING OBJECTIVES OF THIS LEGISLATION WHICH INCLUDE:

- ENCOURAGES THE REUSE OF INDUSTRIAL SITES BY INNOCENT LANDOWNERS WHO HAD NO RESPONSIBILITY FOR CONTAMINATION ON A SITE AND PERMITS VOLUNTARY CLEANUP BY RESPONSIBLE PROPERTY OWNERS WHERE THEY BRING CONTAMINATION TO THE ATTENTION OF DER.

- REQUIRING DER TO REVIEW AND APPROVE VOLUNTARY CLEANUP PLANS AND RESPONSIBLE OWNER CLEANUP PLANS FOR PROPERTIES WHICH ASSESS THE PUBLIC HEALTH AND ENVIRONMENTAL RISKS OF CONTAMINANTS ON THE SITE AND PROPOSE CLEANUP OR CONTAINMENT MEASURES TO ELIMINATE SIGNIFICANT RISKS TO THE PUBLIC FROM EXPOSURE TO CONTAMINANTS. WE SUPPORT GIVING THE LOCAL CITIZENRY THE OPPORTUNITY TO REVIEW AND COMMENT ON ENVIRONMENTAL STUDIES, ASSESSMENT, AND CLEANUP PLANS.

- ESTABLISHING A \$5 MILLION VOLUNTARY CLEANUP LOAN FUND IS CREATED TO PROVIDE GRANTS AND LOANS TO HELP FINANCE 75% OF THE COST OF VOLUNTARY CLEANUPS UNDER THE INNOCENT LANDOWNERS AND ABANDONED SITES.

- ESTABLISHING A SPECIAL PROGRAM TO ENCOURAGE THE REDEVELOPMENT OF ABANDONED INDUSTRIAL PROPERTIES WHERE THERE ARE NO VIABLE PARTIES CAPABLE OF DOING A CLEANUP.

- ESTABLISHING ENVIRONMENTAL ASSESSMENT STANDARDS BY USING APPROPRIATE STATISTICALLY AND SCIENTIFICALLY VALID PROCEDURES AND BY REQUIRING THAT ENVIRONMENTAL PROFESSIONALS BE REGISTERED WITH DER.

- BY AUTHORIZING DER TO ISSUE "NO ACTION DETERMINATION" TO PROPERTY OWNERS WHERE IT DOES NOT INTEND TO TAKE ENFORCEMENT ACTIONS TO REQUIRE CLEANUP OF CONTAMINATION BASED ON AN ENVIRONMENTAL ASSESSMENT OR TRANSACTION SCREEN ANALYSIS.

WE HAVE REVIEWED THE GENERAL PROVISIONS, REMEDIATION STANDARDS, AND REVIEW PROCEDURES' BACKGROUND AND SITE SPECIFIC STANDARDS AND BELIEVE THEY ARE SATISFACTORY.

WE BELIEVE THE SPECIAL INDUSTRIAL SITE PROVISIONS CONTAINED IN SB1 ARE PARTICULARLY BENEFICIAL TO INDUCE THE REDEVELOPMENT OF INDUSTRIAL PROPERTIES. THERE EXISTS IN EVERY CITY IN THE COMMONWEALTH AT LEAST ONE, IF NOT MORE THAN 1, LAND PROPERTY THAT AWAITS ADAPTIVE REUSE. IN EVERY LEGISLATIVE DISTRICT, THERE IS AN OPPORTUNITY FOR BRINGING TO LIFE THESE COMMERCIAL AND INDUSTRIAL WASTELANDS THAT HAVE LAID FALLOW FOR MANY YEARS. THE BENEFIT TO THE COMMONWEALTH IS WIDESPREAD.

THE KEY TO THIS ACTIVITY AND REUSE RESTS NOT ONLY IN THE ACCEPTANCE BY THE DER OF THE PROPOSED ENVIRONMENT REMEDIATION ACTIVITIES, BUT EQUALLY IMPORTANT IS THE CLEANUP LIABILITY PROTECTION AFFORDED THE EXISTING OR NEW LANDOWNER. APPROPRIATE

SAFEGUARDS TO ENSURE NO PERSON CAN USE THE ACT TO CREATE A DEFENSE AGAINST ILLEGAL DISPOSAL OR FRAUD EXIST WITHIN THE LEGISLATION.

TO ENSURE SOME GENERAL AND EQUITABLE DISTRIBUTION THROUGHOUT THE COMMONWEALTH, OF THE \$5 MILLION INDUSTRIAL LAND RECYCLING FUND, WE RECOMMEND THAT LANGUAGE BE INCLUDED OR DEPARTMENT POLICY CREATED THAT NO (SITE) PROJECTS MAY ACCESS MORE THAN \$500,000 OF GRANTS OR LOANS PER YEAR. SHOULD SUCH A PROVISION BE EXCLUDED, THE 1ST FEW IN LINE COULD TAKE ALL FUNDING. RECALL THAT POTENTIAL HOUSING AND COMMERCIAL SITES ARE ALSO AVAILABLE FOR REUSE. THE PURPOSE AGAIN IS TO BENEFIT MANY SITES IN MANY CITIES IN MANY LEGISLATIVE DISTRICTS.

AS ONE WHO KNOWS OF 2 SITES IN YORK CITY, AND 2 IN YORK COUNTY, I CAN ASSURE YOU OF OUR INTEREST TO REJUVENATE ONE OR MORE OF THESE LOCATIONS. WE BELIEVE THE PASSAGE OF SB11 AND SB12 WILL ALLOW FOR A NOTICEABLE INCREASE IN BUSINESS DEVELOPMENT AND JOB CREATION BY ECONOMIC DEVELOPMENT AGENCIES IN URBAN AREAS.

WE URGE THE PASSAGE OF SENATE BILLS 1, 11, AND 12 WITHOUT MODIFICATION FOR ANY MINOR DISCREPANCIES. THE PASSAGE OF THESE

BILLS PLACES THE IMPLEMENTATION OF THESE BENEFICIAL LEGISLATIVE INITIATIVES AS A CO-PARTNER IN THE NEW ECONOMIC DEVELOPMENT INITIATIVES PROPOSED BY THE RIDGE ADMINISTRATION. AGAIN, LET ME STATE AS SUCCINCTLY AS I CAN ARTICULATE: PEDA RECOMMENDS IMMEDIATE PASSAGE OF STATE BILLS 1, 11, AND 12.

IN CLOSING, THE COMMONWEALTH OF PENNSYLVANIA HAS LONG BEEN KNOWN AS THE LEADER IN ECONOMIC DEVELOPMENT PROGRAMS THROUGHOUT THE UNITED STATES. THE PASSAGE BY THE HOUSE OF THESE 3 BILLS WITHOUT LONG DEBATE AND DELAY CAN ONLY INSURE THAT WE RETAIN OUR RIGHTFUL POSITION AS THE INNOVATOR OF ECONOMIC DEVELOPMENT AND REVITALIZATION PROGRAMS WITHIN THE UNITED STATES. LET OTHER STATES LOOK TO THE COMMONWEALTH'S LEGISLATURE AS THE LEADER TO FOLLOW.

IN FUTURE YEARS, YOU WILL HAVE THE SELF-SATISFACTION OF KNOWING THAT LITERALLY THOUSANDS OF PENNSYLVANIANS OWE THEIR JOBS, THEIR SALARY, THE EDUCATION OF THEIR CHILDREN, TO THE FACT THAT HUNDREDS OF NOW-VACANT AND UNDERUTILIZED TAX AND JOB-GENERATING URBAN LAND SITES ARE AGAIN PRODUCTIVE. YOU CAN MAKE IT SO. THANK YOU.