
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 673 Session of
2015

INTRODUCED BY FONTANA, WILLIAMS, BREWSTER, HAYWOOD, YUDICHAK,
KITCHEN, COSTA, WILEY, SCHWANK, FARNESE AND BOSCOLA,
MARCH 31, 2015

REFERRED TO COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT,
MARCH 31, 2015

AN ACT

1 Amending Title 64 (Public Authorities and Quasi-Public
2 Corporations) of the Pennsylvania Consolidated Statutes, in
3 Commonwealth Financing Authority, further providing for
4 revolving loan program accounts, for indebtedness, for
5 Business in Our Sites Program and for First Industries
6 Program; and making a transfer.

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

9 Section 1. Sections 1542, 1543(a) and (b), 1551 and 1552(b),
10 (c) and (f) of Title 64 of the Pennsylvania Consolidated
11 Statutes are amended to read:

12 § 1542. Revolving loan program accounts.

13 (a) The Business in Our Sites Program account.--The
14 authority shall establish an account for the program established
15 in section 1551 (relating to Business in Our Sites Program).
16 Proceeds of bonds issued to fund the Business in Our Sites
17 Program and any moneys received as loan repayments under the
18 Business in Our Sites Program, or moneys otherwise made
19 available to the program, shall be deposited in the account and

1 made available for additional [planning grants,] project grants
2 or loans for the purposes of the program in section 1551,
3 subject to the provisions of any pledge to or agreement made by
4 the authority with obligees of the authority.

5 (b) The First Industries Program account.--The authority
6 shall establish an account for the program established in
7 section 1552 (relating to First Industries Program). Proceeds of
8 bonds issued to fund the First Industries Program, any moneys
9 received as loan repayments or in repayment or recovery of loan
10 guarantees under the program, or moneys otherwise made available
11 to the program, shall be deposited in the account and made
12 available for additional [planning grants or] loans or used for
13 additional loan guarantees as provided in section 1552, subject
14 to the provisions of any pledge to or agreement made by the
15 authority with obligees of the authority.

16 § 1543. Indebtedness.

17 (a) General rule.--Subject to the limitations of subsection
18 (b), the authority may, in its own name, incur indebtedness,
19 including through the issuance of bonds, in an amount necessary
20 to fund the [program as] programs established in Subchapter E
21 (relating to programs) and in 12 Pa.C.S. Ch. 29 (relating to
22 machinery and equipment loans).

23 (b) Program limitations.--Indebtedness incurred by the
24 authority under subsection (a) shall not, in aggregate, exceed
25 any of the following:

26 (1) [\$300,000,000] \$375,000,000 for the program
27 established in section 1551 (relating to Business in Our
28 Sites Program).

29 (2) \$150,000,000 for the program established in section
30 1552 (relating to First Industries Program).

1 (3) \$60,000,000 for the program established in section
2 1557 (relating to New Pennsylvania Venture Capital Investment
3 Program).

4 (4) \$150,000,000 for the program established in section
5 1555 (relating to Building Pennsylvania Program).

6 (5) \$75,000,000 for the program established in 12
7 Pa.C.S. Ch. 29.

8 (6) \$250,000,000 for the program established in section
9 1554 (relating to New Pennsylvania Venture Guarantee
10 Program).

11 (7) [~~\$100,000,000~~] \$50,000,000 for the program
12 established in section 1556 (relating to Tax Increment
13 Financing Guarantee Program).

14 (8) \$50,000,000 for the program established in section
15 1553 (relating to Second Stage Loan Program).

16 * * *

17 § 1551. Business in Our Sites Program.

18 (a) Establishment.--There is established a program to be
19 known as the Business in Our Sites Program. The program shall
20 provide financial assistance for the preparation of sites
21 located within this Commonwealth for future development.

22 (b) [Applications for planning grants.--A municipality,
23 municipal authority, redevelopment authority or industrial
24 development agency may submit an application to the authority
25 requesting a planning grant for costs associated with
26 predevelopment activities and feasibility studies for a project.
27 The application shall be on the form required by the board and
28 shall include or demonstrate all of the following:

29 (1) The applicant's name and address.

30 (2) The location of the project.

1 (3) A statement that the project is consistent with any
2 existing comprehensive county plan where the project is
3 located.

4 (4) A description of the project which includes a
5 statement that:

6 (i) the project is for the redevelopment, reuse or
7 revitalization of previously developed land, including
8 previously mined areas; or

9 (ii) the project is for the development of
10 undeveloped land which may be the subject of future
11 development pursuant to any existing comprehensive
12 municipal plan.

13 (5) An estimate of the cost of the predevelopment
14 activities and feasibility studies.

15 (6) A statement of the amount of the planning grant
16 sought.

17 (7) Any other information required by the board]
18 (Reserved).

19 (c) [Review and approval of planning grant applications.--

20 (1) The board shall review the application. Upon being
21 satisfied that all requirements have been met, the board may
22 approve the application and, if approved, the authority shall
23 award a planning grant.

24 (2) Copies of all reports and studies prepared with
25 planning grant funds shall be filed with the authority and
26 shall be made available to any person upon request]

27 (Reserved).

28 (d) Applications for project financing.--A municipality,
29 municipal authority, redevelopment authority or industrial
30 development agency may submit an application to the authority

1 requesting a loan or a combination of a loan and project grant
2 for a project. A private developer may submit an application to
3 the board requesting a loan for a project. The application shall
4 be on the form required by the board and shall include or
5 demonstrate all of the following:

6 (1) The applicant's name and address.

7 (2) The location of the project.

8 (3) A statement that the project is consistent with any
9 existing comprehensive county plan where the project is
10 located.

11 (4) A description of the project which includes a
12 statement that:

13 (i) the project is for the redevelopment, reuse or
14 revitalization of previously developed land, including
15 previously mined areas; or

16 (ii) the project is for the development of
17 undeveloped land which may be the subject of future
18 development pursuant to any existing comprehensive
19 municipal plan and is zoned for such development at the
20 time of application.

21 (5) An estimate of the cost of the project, prepared by
22 an engineer or other qualified professional.

23 (6) A statement of the amount of the loan or combined
24 loan and project grant sought. If the applicant is requesting
25 a project grant, a statement as to the financial necessity
26 for the project grant must be included.

27 (7) Proof that notification of the project has been sent
28 to the governing bodies of the county or counties and of the
29 municipality or municipalities in which the project is
30 located.

1 (8) Any other information required by the board.

2 (e) Review of project financing applications.--The board
3 shall review the application to determine all of the following:

4 (1) That the project is consistent with any existing
5 comprehensive county plan where the project is located.

6 (2) That the project is the redevelopment, reuse or
7 revitalization of previously developed land, including
8 previously mined areas, or that the project is the
9 development of undeveloped land which may be the subject of
10 future development pursuant to any existing comprehensive
11 municipal plan and is zoned for such development at the time
12 of application.

13 (3) That the value of the proposed collateral and the
14 financial resources offered by the applicant are sufficient
15 to repay the loan.

16 (4) That there is a substantial likelihood the land or
17 buildings will be used upon project completion.

18 (5) That the project will enable future employment
19 opportunities in or have a net positive economic impact on
20 the surrounding community.

21 (6) That the statement of the estimated cost of the
22 project is reasonable.

23 (7) That the applicant complied with all other criteria
24 established by the board.

25 (f) Approval of project financing applications.--Upon being
26 satisfied that all requirements have been met, the board may
27 approve the application, and, if approved, the authority shall
28 award a loan or a combination of a loan and project grant to be
29 used for costs of the project. A combined loan and project grant
30 may be awarded only if the board finds that the value of the

1 proposed collateral and the financial resources offered by the
2 applicant are not sufficient to repay a loan in the amount of
3 the total project cost.

4 (g) Limitations.--

5 (1) [A planning grant awarded for a project under
6 section (c) shall not exceed \$250,000. No more than
7 \$10,000,000 of the funds made available for the program
8 authorized by this section may be used for planning grants]
9 (Reserved).

10 (2) A project grant awarded under subsection (f) shall
11 not exceed 50% of the total amount of financing awarded by
12 the board for the project or \$5,000,000, whichever is less.
13 No more than one-third of the funds made available for the
14 program authorized by this section may be used for all
15 project grants.

16 (3) No more than 15% of the funds made available for the
17 program authorized by this section may be awarded for
18 projects located within any one city, town, borough or
19 township of this Commonwealth.

20 (4) The anticipated use of the land or buildings may not
21 be primarily residential or primarily recreational.

22 (5) A project grant may be used only for one or more of
23 the following purposes:

24 (i) Environmental assessment and remediation.

25 (ii) Site preparation, including earth moving
26 activities.

27 (iii) Demolition of structures.

28 (iv) Installation or rehabilitation of
29 infrastructure.

30 (v) Reimbursement of engineering and administrative

1 expenses associated with any of the activities listed in
2 subparagraphs (i) through (iv).

3 § 1552. First Industries Program.

4 * * *

5 (b) [Applications for planning grants.--An applicant may
6 submit an application to the authority requesting a planning
7 grant in an amount not to exceed \$250,000 for the costs of
8 predevelopment activities and feasibility studies for a project
9 related to tourism or agriculture. The application shall be on
10 the form required by the board and shall include or demonstrate
11 all of the following:

12 (1) The applicant's name and address.

13 (2) The location of the project.

14 (3) A description of the project.

15 (4) An estimate of the cost of the predevelopment
16 activities and feasibility studies and the goal to be
17 achieved by carrying out the proposed activities or studies.

18 (5) A statement of the amount of the planning grant
19 sought.

20 (6) Any other information required by the board]

21 (Reserved).

22 (c) [Review and approval of planning grant applications.--

23 (1) The board shall review the application to determine
24 that the project demonstrates one or more of the following:

25 (i) The project will have a demonstrable impact on
26 the economy or well-being of the neighborhood, community
27 or region where the project will be located.

28 (ii) The project will promote research and
29 development efforts leading to increased
30 commercialization or utilization of farm commodities.

1 (iii) The project will result in environmentally
2 friendly or energy efficient operations related to
3 agriculture, including projects authorized by the act of
4 December 12, 1994 (P.L.888, No.128), known as the
5 Agricultural By-Product Management Technology Act.

6 (iv) The project will result in more cost-effective
7 and efficient marketing of regional assets related to
8 tourism or agriculture.

9 (v) The project will result in a substantial
10 increase in revenues for the Commonwealth or the host
11 municipality.

12 (vi) The project proposes to utilize Commonwealth-
13 owned natural resources for public/private development of
14 tourism.

15 (2) Upon being satisfied that the requirements of
16 paragraph (1) have been met, the board may approve the
17 application, and, if approved, the authority shall award a
18 planning grant.

19 (3) Copies of all reports and studies prepared with
20 planning grant funds shall be filed with the authority and
21 shall be made available to any person upon request]

22 (Reserved).

23 * * *

24 (f) Limitations.--

25 (1) [No more than \$10,000,000 of the funds available for
26 the program authorized by this section may be used for
27 planning grants awarded under subsection (c)] (Reserved).

28 (2) At least two-thirds of the funds available for the
29 program authorized by this section shall be used for
30 financing of projects related to agriculture.

1 Section 2. The sum of \$50,000,000 is transferred from the
2 Tax Increment Financing Guarantee Program to the Business in Our
3 Sites Program.

4 Section 3. This act shall take effect in 60 days.