



# PAACC Pennsylvania Update

February 1, 2018

## State Capitol Snap Shot

Governor Wolf will deliver his budget address to the General Assembly on Tuesday, February 6, 2018. It is believed he will once again propose a severance tax on natural gas drilling, as well as enhanced funding for workforce development and training.

On January 26, 2018, the Governor announced an initiative to reform, modernize and improve the environmental permitting process undertaken by the DEP. Particular attention has been focused on ensuring that the two timelines associated with natural gas development activities, 32 business days for the Drill and Operate Well Permit, and 43 days for the Erosion and Sediment Control General Permit (ESCGP), are met.

The Governor's Budget Office announced a new round of funding for the Redevelopment Assistance Capital Program (RACP) on January 29, 2018. The 30-day application period ends on February 27, 2018. The RACP program funds larger scale economic development program through matching grant funds of 50 percent. Application information for the RACP program can be found [here](#).

On January 21, 2018, the PA Supreme Court ruled by a vote of 4-3 that the Congressional District Maps passed by the General Assembly in the last redistricting round were unconstitutionally drawn to discriminate against Democratic candidates. The Court ordered that the maps be redrawn by the Legislature by February 9, 2018, and approved by the Governor by February 15, 2018. The President Pro Tempore challenged the court's ruling as judicial overreach of state legislative power, and has stated they may challenge the Court's ruling in federal appeals court.

## Legislative Report\*

### Energy

On January 30, 2018, SB 234 passed the Senate by a vote of 42-8. Sponsored by Sen. Blake, the PA Property Assessed Clean Energy Program (PACE) is a financing mechanism that enables low-cost, long-term funding for energy efficiency, renewable energy, and water conservation upgrades to commercial or industrial properties. The upfront capital is then paid back in the form of a voluntary property tax assessment on the specific, improved building. PACE can pay for new heating and cooling systems, lighting improvements, solar panels, water pumps and insulation. It is an economic development tool that enhances property values and employment opportunities, lowers the cost of doing business, expands the use of energy saving technologies.

A local government chooses to participate in or develop a PACE financing program, so the program is voluntary. PACE financing does not require any public funds – in fact, general obligation debt financing is prohibited. Local communities merely collect the assessment on the improved building and remit it for payment on the debt incurred from the building's energy-efficiency and clean energy technology upgrades.

The bill will be sent to the House for consideration.

### Grant Opportunities

Below is a brief overview of current and upcoming funding opportunities with links to the more detailed program guidelines.

- **CFA Alternative and Clean Energy Program** - provides financial assistance in the form of grant and loan funds that will be used by eligible applicants for the utilization, development and construction of alternative and clean energy projects. There is a \$1 for \$1 matching funds requirement. Applications accepted on a rolling basis though funding is limited. Must be submitted 60 days in advance of a CFA Board meeting.
- **CFA Solar Energy Program** – provides financial assistance in the form of grant and loan funds to promote the use of solar energy in Pennsylvania. There is a matching investment requirement of at least \$1 for every \$3 of SEP funds awarded. Applications accepted on a rolling basis though funding is limited. Must be submitted 60 days in advance of a CFA Board meeting.
- **CFA Greenways, Trails and Recreation Program** – provides financial assistance planning, acquisition, development, rehabilitation and repair of greenways, recreational trails, open space, parks and beautification projects. Grants shall not exceed \$250,000 for any project, and 15% match of the total project cost is required. Applications due by May 31, 2018.
- **Allegheny County Community Tourism & Infrastructure Fund** – provides funding that allows municipalities, authorities, councils of government (COGs), for-profit businesses (loans only), and others, to carry out important infrastructure-related projects, or, for the acquisition and development of key sites for future use. Pennsylvania prevailing wage requirements and other procurement guidelines are applied to all projects. Applications are due by 3pm, February 23, 2018.

\*Information for the Legislative Report was derived from each bill's co-sponsorship memo and the bill text.

- **Redevelopment Assistance Capital Program** - Commonwealth grant program administered by the Office of the Budget for the acquisition and construction of regional economic, cultural, civic, recreational, and historical improvement projects. To be eligible, projects must be included in one or more of the PA Capital Budget Project Itemization Acts. At least 50% of the project cost must be non-state matching funds. Round 2018/1 will be open for 30 days during the period from January 29, 2018 through February 27, 2018.

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