

RACP FUNDING HISTORY

INITIAL FUNDING

The Commonwealth of Pennsylvania has made substantial investments in economic growth through the Redevelopment Assistance Capital Program, which began in 1986. The Commonwealth initially committed \$400 million to fund projects that have brought jobs and new opportunities to a diverse group of communities throughout the state.

FUNDING INCREASES/(DECREASE)

Act 39 of 1993 and Act 46 of 1997

Act 39 of 1993 increased the Commonwealth's General Obligation borrowing authority to \$700,000,000 for the Redevelopment Assistance Capital Program, giving the Commonwealth the authority to invest an additional \$300 million in Redevelopment Assistance Capital Projects. These funds have assisted communities, particularly struggling communities, in the revitalization of their economies. Act 46 of 1997 increased the Commonwealth's borrowing authority again, expanding it by another \$150 million.

Act 1 of 1999

Act 1 of 1999 increased the Commonwealth's General Obligation borrowing authority to \$1,200,000,000 for the Redevelopment Assistance Capital Program, giving the Commonwealth the authority to invest at least an additional \$350 million in Redevelopment Assistance Capital Projects. Further, the program is administered similar to a revolving line of credit so that as the Commonwealth retires portions of existing debt incurred, new debt may be issued for additional projects. At no time may outstanding debt for Redevelopment Assistance Capital projects exceed \$1,200,000,000. The act was a recodification and also added a chapter 5 for sports facilities and financing.

Act 130 of 2002

Act 130 of 2002 increased the Commonwealth's General Obligation borrowing authority to \$1,450,000,000 for the Redevelopment Assistance Capital Program, giving the Commonwealth the authority to invest at least an additional \$250 million in Redevelopment Assistance Capital Projects.

Act 49 of 2003

Act 49 of 2003 increased the Commonwealth's General Obligation borrowing authority to \$1,510,000,000 for the Redevelopment Assistance Capital Program, giving the

Commonwealth the authority to invest at least an additional \$60 million in Redevelopment Assistance Capital Projects.

Act 67 of 2004

Act 67 of 2004 increased the Commonwealth's General Obligation borrowing authority to \$2,150,000,000 for the Redevelopment Assistance Capital Program, giving the Commonwealth the authority to invest at least an additional \$640 million in Redevelopment Assistance Capital Projects. The act also changed the following major areas: Eligible applicants are now public authorities as well as 501(C)(3) Industrial Development Corporations; hospitals are specifically identified as being RACP-eligible; clarification of activities within industrial parks by adding language that specifically allows water, sewer, roads and bridges within an industrial or business park; and the minimum project size throughout the state was lowered to \$1 million.

Act 87 of 2005

Act 87 of 2005 increased the Commonwealth's General Obligation borrowing authority to \$2,650,000,000 for the Redevelopment Assistance Capital Program, giving the Commonwealth the authority to invest at least an additional \$500 million in Redevelopment Assistance Capital Projects. In addition, the act added a section on reporting requirements within the state and a section authorizing housing allocations for an amount not to exceed \$25 million of the total authorized amount.

Act 48 of 2008

Act 48 of 2008 increased the Commonwealth's General Obligation borrowing authority to \$3,450,000,000 for the Redevelopment Assistance Capital Program, giving the Commonwealth the authority to invest at least an additional \$800 million in Redevelopment Assistance Capital Projects. Act 48 of 2008 kept intact a section previously introduced in Act 87 of 2005, which authorized housing allocations of up to \$25 million.

Act 48 of 2010

Act 48 of 2010 increased the Commonwealth's General Obligation borrowing authority to \$4,050,000,000 for the Redevelopment Assistance Capital Program, giving the Commonwealth the authority to invest at least an additional \$600 million in Redevelopment Assistance Capital Projects.

Act 82 of 2010 - Increase to Housing Funding

Act 82 of 2010 increased the allotment of funding for housing projects to \$50 million, giving the Commonwealth the authority to invest an additional \$25 million in housing for Redevelopment Assistance Capital Projects.

(Act 77 of 2013)

Act 77 of 2013 reduced the Commonwealth's General Obligation borrowing authority by \$600 million to \$3.45 billion. Other major provisions in the Act affecting changes to the RACP include the items below (please refer to the Act for more detailed information):

- A 10-year sunset provision for RACP itemizations enumerated in Capital Project Itemizations Acts or a Capital Budget Acts.
- A mandatory 30-day public comment period from the point a request for an award is submitted to the time it can be approved.
- Eliminates the exclusion of housing projects obtaining RACP funds as long as they support & generate economic activity and are part of a community revitalization plan.
- Adds a requirement for an applicant to accept an award within 30 days of receiving the notification of approval.

(Act 45 of 2017)

Act 45 of 2017 reduced the Commonwealth's general obligation borrowing authority by \$100 million to \$3.35 billion on October 30, 2017. It further mandates \$50 million reductions beginning July 1, 2018, and each July 1 thereafter (through July 1, 2021) until the sum of the outstanding obligations for redevelopment assistance capital projects equals \$3.15 billion.