

It is further found and declared that to promote sound community development is a proper public purpose and State use for which public money may be expended and property may be acquired, and that the functions and responsibilities of the Community Development Administration as hereinafter set forth are necessary and proper for the purpose of achieving the ends here recited.

266DD-3.

(d) "Development cost" means the costs incurred in carrying out all works and undertakings which the Department deems reasonable and necessary for the construction of a community development project, AN INFRASTRUCTURE PROJECT, an energy conservation project or a solar energy project. These shall include but are not necessarily limited to the costs of all necessary studies, surveys, plans and specifications, architectural, engineering or other special services, acquisition of land and any buildings thereon, site preparation and development, construction, reconstruction, rehabilitation, improvement and the acquisition of such machinery and equipment and furnishings as may be deemed necessary in connection therewith; the necessary expenses incurred in connection with initial occupancy OR OPERATION of the [development] PROJECT; an allocable portion of the administrative and operating expenses of the Department; the cost of financing the project, including interest on bonds and notes issued to finance the project from the date thereof to the date when the Department shall determine that the [development] PROJECT be deemed substantially occupied OR SUBSTANTIALLY IN OPERATION; and the cost of such other items, including any indemnity and surety bonds and premiums on insurance, fees, relocation costs, and charges and expenses of trustees, depositories and paying agents for bonds and notes issued, all as the Department shall deem necessary.

(H) "INFRASTRUCTURE PROJECT" MEANS ANY UNDERTAKING, PROJECT, OR FACILITY THAT IS PLANNED, ACQUIRED, OWNED, DEVELOPED, CONSTRUCTED, RECONSTRUCTED, REHABILITATED, OR IMPROVED BY OR ON BEHALF OF A COUNTY OR MUNICIPALITY IN ORDER TO PROVIDE THE ESSENTIAL PHYSICAL ELEMENTS THAT CONSTITUTE THE BASIS OF THE PUBLIC SERVICE SYSTEM. INFRASTRUCTURE PROJECTS INCLUDE, BUT ARE NOT LIMITED TO, STREETS, SIDEWALKS, CURBS, SEWER AND WATER SYSTEMS, BRIDGES, AND PUBLIC BUILDINGS THAT ARE OWNED BY A COUNTY OR MUNICIPALITY OR ANY OF THEIR AGENCIES OR INSTRUMENTALITIES. INFRASTRUCTURE PROJECTS MAY NOT INCLUDE ANY FACILITIES WITH RESPECT TO WHICH LOCAL OBLIGATIONS FINANCING SUCH FACILITIES WOULD BE PRIVATE ACTIVITY BONDS WITHIN THE MEANING OF SECTION 103(N) OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED, OBLIGATIONS DESCRIBED IN SECTION 103(B)(4)(A) OF THAT CODE, OR HOUSING PROGRAM OBLIGATIONS UNDER SECTION 11(B) OF THE UNITED STATES HOUSING ACT OF 1937.

(L) "LOCAL OBLIGATION" MEANS ANY BOND, NOTE, OR OTHER OBLIGATION OF ANY COUNTY OR MUNICIPALITY OR ANY OF THEIR AGENCIES OR INSTRUMENTALITIES.