

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1490 Session of 2015

INTRODUCED BY PETRI, CALTAGIRONE, COHEN, D. COSTA, DRISCOLL, JAMES, LONGIETTI, MURT, PASHINSKI, SAYLOR, YOUNGBLOOD, SCHWEYER AND NEILSON, AUGUST 13, 2015

AS REPORTED FROM COMMITTEE ON URBAN AFFAIRS, HOUSE OF REPRESENTATIVES, AS AMENDED, OCTOBER 28, 2015

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, providing for cultural improvement
3 district advisory committees and for neighborhood improvement
4 districts; and repealing the Neighborhood Improvement
5 District Act.

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

8 Section 1. Title 53 of the Pennsylvania Consolidated
9 Statutes is amended by adding a chapter to read:

10 CHAPTER 62

11 NEIGHBORHOOD IMPROVEMENT DISTRICTS

12 Subchapter

13 A. Preliminary Provisions

14 B. Cultural Improvement District Advisory Committees

15 C. Neighborhood Improvement Districts

16 SUBCHAPTER A

17 PRELIMINARY PROVISIONS

18 Sec.

1 6201. Scope of chapter.

2 § 6201. Scope of chapter.

3 This chapter relates to neighborhood improvement districts.

4 SUBCHAPTER B

5 CULTURAL IMPROVEMENT DISTRICT

6 ADVISORY COMMITTEES

7 Sec.

8 6211. Legislative findings.

9 6212. Definitions.

10 6213. Cultural improvement district advisory committees.

11 6214. Programs to consider.

12 6215. Local taxing options.

13 6216. Authorization of taxes.

14 § 6211. Legislative findings.

15 The General Assembly finds that:

16 (1) Municipalities across this Commonwealth contain
17 valuable and distinct geographical areas comprised
18 predominantly of real property containing institutions of
19 cultural or historical significance and the businesses and
20 neighborhoods which directly benefit from such institutions.

21 (2) Many of these municipalities are enriched by
22 educational, social or recreational opportunities that are
23 established or supported by these geographical areas of
24 cultural or historical significance.

25 (3) Regions, municipalities, school districts, residents
26 and businesses benefit directly and indirectly by the
27 availability of these educational, social or recreational
28 opportunities.

29 (4) Despite their inherent value to the surrounding
30 regions and municipalities, the public, private and not-for-

1 profit entities which own or operate the institutions
2 comprising these areas of cultural or historical significance
3 frequently face financial challenges to meet the necessary
4 costs of operation while making the benefits to the public
5 broadly available.

6 (5) Although many programs have been established by the
7 General Assembly that may support the ongoing availability
8 and development of such public benefits and the preservation
9 of such areas and institutions of cultural or historical
10 significance, local governments may nevertheless be unaware
11 of economic development programs that could support these
12 areas and institutions.

13 (6) It is therefore necessary to provide local
14 governments with a process to appoint a committee to explore
15 the utilization of available economic development programs to
16 support and develop such areas and institutions of cultural
17 or historical significance.

18 § 6212. Definitions.

19 The following words and phrases when used in this subchapter
20 shall have the meanings given to them in this section unless the
21 context clearly indicates otherwise:

22 "Committee." A committee established under section 6213
23 (relating to cultural improvement district advisory committees).

24 "Cultural improvement district." The term shall have the
25 same meaning given to it in Subchapter C (relating to
26 neighborhood improvement districts).

27 "Governing body." A city council, borough council,
28 incorporated town council, board of township commissioners or
29 board of township supervisors, the governing council of any unit
30 of government established and existing under Subpart E of Part

1 III (relating to home rule and optional plan government) or the
2 governing council of any similar general purpose unit of
3 government established by statute.

4 "Municipality." A city, borough, incorporated town, township
5 or home rule municipality.

6 "Neighborhood improvement district." The term shall have the
7 same meaning as given to it in Subchapter C (relating to
8 neighborhood improvement districts).

9 § 6213. Cultural improvement district advisory committees.

10 (a) Establishment.--By ordinance, the governing body of a
11 municipality may establish a cultural improvement district
12 advisory committee under this subchapter. The members of the
13 committee shall be appointed by a majority vote of a quorum of
14 the governing body and shall serve at the pleasure of the
15 governing body. The committee shall be comprised of:

16 (1) Not less than five but not more than nine members as
17 specified in the ordinance.

18 (2) Representatives of residents, nonprofit
19 organizations, institutions and business owners within the
20 municipality, who shall be representative of, and reside or
21 work in, the geographic area within and surrounding
22 institutions of cultural and historical significance in the
23 municipality.

24 (b) Compensation prohibited.--Members shall serve without
25 compensation, but may be reimbursed for reasonable expenses at
26 the governing body's discretion, and as specified in the
27 ordinance.

28 (c) Duties.--The committee shall have the following duties:

29 (1) Hold public meetings and consider:

30 (i) Whether the municipality may benefit from any

1 economic development program or other program under the
2 laws of this Commonwealth or the United States, which
3 could be used to enhance or support the areas and
4 institutions of cultural or historical significance
5 existing within the municipality. The programs shall
6 include, but need not be limited to, the programs
7 identified in section 6214 (relating to programs to
8 consider).

9 (ii) Whether the municipality may benefit from any
10 programs of nonprofit organizations, foundations, trusts
11 or similar entities for the purposes of this subchapter.

12 (iii) Whether the governing body of the municipality
13 should enact a tax under section 6215 (relating to local
14 taxing options) to support a district established by
15 Subchapter C (relating to neighborhood improvement
16 districts).

17 (2) Produce a report that contains its findings and
18 recommendations to the governing body of the municipality
19 within 180 days of the municipality's creation of the
20 committee.

21 (3) Provide additional advice to the governing body as
22 requested by the governing body.

23 § 6214. Programs to consider.

24 A committee shall consider whether the following programs and
25 any others of benefit could be utilized to enhance or support an
26 area or institution of cultural or historical significance
27 within the municipality:

28 (1) The establishment of a cultural improvement district
29 under Subchapter C (relating to neighborhood improvement
30 districts).

1 (2) The creation of a tax increment financing district
2 to enhance the area of cultural or historical significance in
3 accordance with the act of July 11, 1990 (P.L.465, No.113),
4 known as the Tax Increment Financing Act.

5 (3) Tax exemptions for the improvement of deteriorated
6 properties under the act of December 1, 1977 (P.L.237,
7 No.76), known as the Local Economic Revitalization Tax
8 Assistance Act.

9 (4) The creation of a historic district to protect
10 historical areas within or adjacent to the area of cultural
11 significance in accordance with the act of June 13, 1961
12 (P.L.282, No.167), entitled "An act authorizing counties,
13 cities, boroughs, incorporated towns and townships to
14 establish historic districts within their geographic
15 boundaries; providing for the appointment of Boards of
16 Historical Architectural Review; empowering governing bodies
17 of political subdivisions to protect the distinctive
18 historical character of these districts and to regulate the
19 erection, reconstruction, alteration, restoration, demolition
20 or razing of buildings within the historic districts."

21 (5) Grants, loans and tax credits through:

22 (i) The Keystone Communities Program and other
23 programs for the improvement of neighborhoods
24 administered by the Department of Community and Economic
25 Development.

26 (ii) The Pennsylvania Historical and Museum
27 Commission.

28 § 6215. Local taxing options.

29 (a) Authorization to municipalities.--

30 (1) Where recommended by a committee, or by an

1 established neighborhood improvement district management
2 association, designated and established by the municipality
3 under Subchapter C (relating to neighborhood improvement
4 districts), a municipality may by ordinance impose, in
5 addition to the statutory rate limits on the general purpose
6 levy real estate taxes enumerated in the municipal code
7 applicable to the municipality, a cultural improvement
8 district tax on real property not exceeding the millage
9 authorized by referendum under section 6216 (relating to
10 authorization of taxes).

11 (2) In the alternative, the municipality may by
12 ordinance impose, in addition to the earned income tax rate
13 limit enumerated in the act of December 31, 1965 (P.L.1257,
14 No.511), known as The Local Tax Enabling Act, a cultural
15 improvement district tax on the earned income of the
16 residents of the municipality not exceeding the rate
17 authorized by referendum under section 6216.

18 (3) Revenue from the levy may be used in one or more of
19 the following manners:

20 (i) The revenue may be appropriated for the
21 establishment or support of a cultural improvement
22 district, which has been, or would be, established under,
23 and for any purpose provided for under sections 6224
24 (relating to powers of municipal corporation), 6227
25 (relating to powers of neighborhood improvement district
26 management association) and 6228 (relating to additional
27 powers of neighborhood improvement district management
28 association in a cultural district).

29 (ii) The revenue may be deposited into a cultural
30 improvement district maintenance fund, established by the

1 municipality, to develop, improve, design and maintain
2 property within the cultural improvement district. In no
3 case may the municipality deposit in excess of 25% of the
4 revenue collected from the levy into the cultural
5 improvement district maintenance fund.

6 (b) Restriction.--In no event may revenue collected from the
7 levy in a particular year be used to develop, improve, design
8 and maintain the property within the cultural improvement
9 district unless the annual debt service incurred under section
10 6224 for the benefit of the cultural improvement district will
11 be satisfied.

12 § 6216. Authorization of taxes.

13 (a) Referendum required.--

14 (1) The local taxing option for a cultural improvement
15 district tax authorized by section 6215 (relating to local
16 taxing options) may not be exercised unless the governing
17 body of the municipality by ordinance provides for a
18 referendum on the question of the imposition at a specific
19 rate of the additional tax and a majority of those voting on
20 the referendum question vote in favor of the imposition of
21 the tax. The additional tax may not be repealed any sooner
22 than five years after the imposition of the tax.

23 (2) The ordinance of the governing body of the local
24 government unit providing for a referendum on the question
25 shall be filed with the county board of elections. The
26 referendum shall be governed by the provisions of the act of
27 June 3, 1937 (P.L.1333, No.320), known as the Pennsylvania
28 Election Code.

29 (3) The election official shall cause the question to be
30 submitted to the electors of the municipality at the next

1 primary, general or municipal election occurring not later
2 than the thirteenth Tuesday following the filing of the
3 ordinance with the county board of elections.

4 (4) At such election, the question shall be submitted to
5 the voters in the same manner as other questions are
6 submitted under the provisions of the Pennsylvania Election
7 Code.

8 (5) The question to be placed upon the ballot shall be
9 framed in the following form:

10 Do you favor the imposition of a (describe tax in millage
11 or earned income tax rate) by (municipality) to be used
12 to support the (specified) cultural improvement district?

13 (b) Repeal by referendum.--

14 (1) The method of repeal of the cultural improvement
15 district tax shall be by referendum, and the procedures for
16 the filing of the ordinance and the conduct of the referendum
17 shall be the same as specified in subsection (a), except the
18 question to be placed upon the ballot shall be framed in the
19 following form:

20 Do you favor the continued imposition of the (describe
21 tax in millage or earned income tax rate) by
22 (municipality) to be used to support the (specified)
23 cultural improvement district?

24 (2) If the referendum question passes, the cultural
25 improvement district tax shall continue to be imposed at the
26 rate described in the question.

27 (3) If the referendum question fails, the increase in
28 the rate limit of the real estate or the earned income tax
29 provided for by subsection (a) shall be repealed effective in
30 the fiscal year following the referendum.

1 (4) Regardless of whether the referendum question passes
2 or fails, a referendum on either the reimposition of the open
3 space tax under subsection (a) or the continued imposition of
4 the cultural improvement district tax under this subsection
5 shall not be held any sooner than five years after the
6 approval or disapproval of the referendum question.

7 (c) Real property exemptions.--

8 (1) Any of the following categories of real property may
9 be exempted by a municipality from further millage increases:

10 (i) Real property in which the open space property
11 interests have been acquired by a municipality in
12 accordance with the act of January 19, 1968 (1967
13 P.L.992, No.442), entitled, as amended, "An act
14 authorizing the Commonwealth of Pennsylvania and the
15 local government units thereof to preserve, acquire or
16 hold land for open space uses."

17 (ii) Real property that is subject to an easement
18 acquired in accordance with the act of June 30, 1981
19 (P.L.128, No.43), known as the Agricultural Area Security
20 Law.

21 (iii) Real property from which transferable
22 development rights have been transferred and retired by a
23 municipality without their development potential having
24 occurred on other lands.

25 (2) The exemption from further millage increases for
26 real property as provided for in this section shall be
27 authorized only for real property qualifying for such
28 exemption under the provisions of section 2(b)(i) of Article
29 VIII of the Constitution of Pennsylvania.

30 (3) No exemptions granted under this section may be

1 considered by the State Tax Equalization Board in deriving
2 the market value of school district real property so as to
3 reduce the subsidy to that school district or to increase the
4 subsidy to any other school district.

5 SUBCHAPTER C

6 NEIGHBORHOOD IMPROVEMENT DISTRICTS

7 Sec.

8 6221. Scope of subchapter.

9 6222. Legislative findings.

10 6223. Definitions.

11 6224. Powers of municipal corporation.

12 6225. Neighborhood improvement districts.

13 6226. Neighborhood improvement district management
14 associations.

15 6227. Powers of neighborhood improvement district management
16 association.

17 6228. Additional powers of neighborhood improvement district
18 management association in a cultural district.

19 6229. Dissolution of neighborhood improvement district
20 management association and neighborhood improvement
21 district.

22 6230. Annual audit; report.

23 6231. Applicability.

24 § 6221. Scope of subchapter.

25 This subchapter relates to neighborhood improvement
26 districts.

27 § 6222. Legislative findings.

28 The General Assembly finds that:

29 (1) Existing tax rates in many municipalities are at or
30 near their statutory cap.

1 (2) The General Fund revenue derived from these taxes
2 many times is not sufficient to provide adequate municipal
3 services or additional services needed in specific geographic
4 areas within the municipality, including, but not limited to,
5 downtown commercial districts.

6 (3) As a result, municipalities should be encouraged to
7 establish, where feasible and desired, assessment-based
8 neighborhood improvement districts which would include, but
9 not be limited to, downtown commercial districts. Designated
10 district management associations would initiate and
11 administer programs to promote and enhance more attractive
12 and safer commercial, industrial, residential and mixed-use
13 neighborhoods; economic growth; increased employment
14 opportunities; and improved commercial, industrial, business
15 districts and business climates.

16 (4) Municipalities should be given the broadest possible
17 discretion in establishing by local ordinance the type of
18 assessment-based programs most consistent with neighborhood
19 needs, goals and objectives as determined and expressed by
20 property owners in the designated district.

21 § 6223. Definitions.

22 The following words and phrases when used in this subchapter
23 shall have the meanings given to them in this section unless the
24 context clearly indicates otherwise:

25 "Authority." A body politic and corporate, established under
26 the former act of May 2, 1945 (P.L.382, No.164), known as the
27 Municipality Authorities Act of 1945, or Chapter 56 (relating to
28 municipal authorities).

29 "Benefited property." Those properties located within a
30 neighborhood improvement district which profit from district

1 improvements based on a rational nexus test. Properties need not
2 profit equally to be considered to have benefited.

3 "Bonds." The term shall include the notes, bonds and other
4 evidence of indebtedness or obligations which each municipal
5 corporation is authorized to issue under section 6224(7)
6 (relating to powers of municipal corporation).

7 "Business improvement." In the case of neighborhood
8 improvement district management associations established for the
9 purpose of making improvements or providing administrative
10 services within a neighborhood improvement district, the term
11 shall mean those improvements needed in specific areas or to
12 individual properties, including, but not limited to, sidewalks,
13 retaining walls, street paving, parks, recreational equipment
14 and facilities, open space, street lighting, parking lots,
15 parking garages, trees and shrubbery, pedestrian walks, sewers,
16 water lines, rest areas and the acquisition and rehabilitation
17 or demolition of blighted buildings or structures.

18 "Business improvement district" or "BID." A business
19 improvement district established prior to February 19, 2001, and
20 governed by the former act of May 2, 1945 (P.L.382, No.164),
21 known as the Municipality Authorities Act of 1945, insofar as it
22 relates to business improvement districts or Chapter 54
23 (relating to business improvement districts). On or after
24 February 19, 2001, the term shall mean a limited geographical
25 area comprised of real property which is used for any for-profit
26 activity involving trade and traffic, or commerce in general.

27 "Commercial." Relating to or associated with any for-profit
28 activity involving trade and traffic or commerce in general.

29 "Construction expenditures." Property and right-of-way
30 acquisition costs where applicable.

1 "Costs of improvements." The term includes architectural
2 fees, engineering fees, attorney fees, consulting fees,
3 professional fees, preliminary planning expenditures,
4 feasibility study expenditures, financing costs and any other
5 expenditures necessary and incidental to the development,
6 construction or completion of the improvement.

7 "Cultural improvement district." A limited geographical area
8 composed of institutions of cultural or historical significance
9 and the surrounding businesses and neighborhoods that directly
10 benefit from such institutions.

11 "District advisory council." A committee comprised of
12 property owners from a neighborhood improvement district
13 established under section 6227(a) (relating to powers of
14 neighborhood improvement district management association) for
15 the purpose of providing guidance and direction to the
16 neighborhood improvement district management association
17 concerning association activities within the district.

18 "Industrial district." A limited geographical area comprised
19 of real property which is used predominantly for manufacturing,
20 commercial or any other activity related to the distribution of
21 goods and services and intermediate and final products,
22 including, but not limited to, warehousing, shipping,
23 transportation, remanufacturing, stockpiling of raw materials,
24 repair and maintenance of machinery and equipment, storage,
25 administration or business activities and research and
26 development.

27 "Institution." The term includes, but is not limited to, a
28 college, university, school, hospital, museum, theater, church,
29 synagogue, art center or similar facility.

30 "Institutional district." A limited geographical area

1 comprised predominantly of real property on which educational,
2 health-related or cultural activities occur within buildings and
3 structures, including, but not limited to, colleges,
4 universities, schools, hospitals, museums, theaters, churches,
5 synagogues and art centers.

6 "Mixed-use district." A limited geographical area comprised
7 of real property used for any or all purposes contained within a
8 business, residential, industrial or institutional district.

9 "Municipal corporation." The body or board authorized by law
10 to enact ordinances or adopt resolutions for a municipality.

11 "Municipality." With the exception of a city of the first
12 class, a city, borough, incorporated town, township, home rule,
13 optional plan or optional charter municipality located within
14 this Commonwealth.

15 "Neighborhood." A limited geographic area within a
16 municipality establishing a neighborhood improvement district,
17 the limits of which form the neighborhood improvement district
18 boundary.

19 "Neighborhood improvement." Improvements needed in specific
20 geographic areas or to individual properties within those areas,
21 including, but not limited to, sidewalks, retaining walls,
22 street paving, parks, recreational equipment and facilities,
23 open space, street lighting, parking lots, trees and shrubbery,
24 sewers, water lines, rest areas and the acquisition and
25 rehabilitation or demolition of deteriorated buildings or
26 structures.

27 "Neighborhood improvement district" or "NID." A limited
28 geographic area within a municipality, in which a special
29 assessment is levied on all designated property, other than tax-
30 exempt property, for the purpose of promoting the economic and

1 general welfare of the district and the municipality, the term
2 includes all of the following:

3 (1) Business improvement district (BID).

4 (2) Cultural improvement district (CID).

5 (3) Industrial improvement district (IID).

6 (4) Institutional improvement district (INID).

7 (5) Mixed-use improvement district (MID), depending on
8 the type district established.

9 (6) Residential improvement district (RID).

10 A designated property may not be included in more than one
11 neighborhood improvement district.

12 "Neighborhood improvement district management association" or
13 "NIDMA." The governing body that oversees the management of
14 neighborhood improvement districts in a municipality as
15 established under section 6225 (relating to neighborhood
16 improvement districts), and is incorporated as a nonprofit
17 corporation in this Commonwealth or an authority as established
18 under the former act of May 2, 1945 (P.L.382, No.164), known as
19 the Municipality Authorities Act of 1945, or Chapter 56
20 (relating to municipal authorities).

21 "Neighborhood improvement district plan" or "NIDP." The
22 strategic plan for neighborhood improvements required by section
23 6225 (relating to neighborhood improvement districts), and all
24 projects, programs and supplemental services to be provided
25 within the district to implement the plan by the neighborhood
26 improvement district management association.

27 "Neighborhood improvement district services." In the case
28 of:

29 (1) A neighborhood improvement district management
30 association established for the purpose of making

1 improvements or providing expanded services within an
2 established neighborhood business improvement district, the
3 term shall include, but not be limited to, those services
4 which improve the ability of the commercial establishments
5 within the neighborhood business improvement district to
6 serve the consumer, such as free or reduced-fee parking for
7 customers, transportation-related expenses, public relations
8 programs, group advertising and district maintenance and
9 security services.

10 (2) A residential, industrial, institutional or mixed-
11 use neighborhood improvement district, the term shall
12 include, but not be limited to, those services which improve
13 the ability of property owners to enjoy a safer and more
14 attractive neighborhood through the provision of increased or
15 expanded services, including street lighting, street
16 cleaning, street maintenance, parks, recreational equipment
17 and facilities, open space or security services.

18 "Nonprofit corporation." A legal entity that is incorporated
19 within this Commonwealth and specifies in its charter or bylaws
20 that no part of the net earnings may benefit any private
21 shareholder or individual holding interest in the legal entity.

22 "Private security officer." Any person or firm employed by a
23 neighborhood improvement district management association for the
24 purpose of providing increased security or protective patrol
25 services within the neighborhood improvement district. The term
26 may include an off-duty police officer, provided that the use of
27 the officer for this purpose is approved by the governing body
28 of the municipality in which the neighborhood improvement
29 district is located or the municipality where the officer is
30 employed, if different.

1 "Project." The acquisition, development, construction,
2 improvement, rehabilitation, operation or maintenance of a
3 building, facility, equipment or structure, by purchase, lease
4 or contract, by a neighborhood improvement district management
5 association to facilitate neighborhood and business improvements
6 as authorized by this subchapter.

7 "Rational nexus." The legal principle which requires that
8 there is a rational, definable benefit which accrues to a
9 property owner assessed a fee for the benefit in a neighborhood
10 improvement district established under this subchapter. All
11 property owners within a designated neighborhood improvement
12 district paying a special assessment fee must benefit directly
13 or indirectly from facilities or services provided by a
14 neighborhood improvement district management association within
15 the neighborhood improvement district, provided, however, that
16 property owners need not benefit equally.

17 "Residential district." A limited geographical area
18 comprised of real property consisting predominantly of buildings
19 and structures for housing individuals and families, including,
20 but not limited to, single-family detached homes, single-family
21 semidetached homes, townhouses, condominiums, apartments,
22 manufactured homes, modular homes or any combination of same.

23 "Service area." The area within the boundaries of a
24 neighborhood improvement district established by a municipality
25 under this subchapter in which the neighborhood improvement
26 district management association provides programs, services and
27 improvements. The term may also include an area outside of the
28 neighborhood improvement district where services are being
29 provided by the neighborhood improvement district management
30 association under contract.

1 "Special assessment fee." The fee assessed on property
2 owners within a neighborhood improvement district levied by the
3 municipality establishing a neighborhood improvement district
4 under section 6224(10) (relating to powers of municipal
5 corporation) for the purposes of providing programs,
6 improvements and services under section 6227 (relating to powers
7 of neighborhood improvement district management association).

8 "Sunset provision." The term means a provision in the
9 neighborhood improvement district plan under section 6225(c)
10 (relating to neighborhood improvement districts), establishing a
11 neighborhood improvement district, which provides for the
12 automatic termination of the neighborhood improvement district
13 on a date specified in the neighborhood improvement district
14 plan and in the municipal ordinance establishing the
15 neighborhood improvement district. The neighborhood improvement
16 district may be continued beyond that date, provided that the
17 municipal enabling ordinance establishing the original
18 neighborhood improvement district is reenacted, following a
19 review of the neighborhood improvement district and the
20 neighborhood improvement district management association
21 programs and services provided within the neighborhood
22 improvement district by the municipality.

23 § 6224. Powers of municipal corporation.

24 A municipal corporation shall have the power:

25 (1) To establish within the municipality an area or
26 areas designated as an NID.

27 (2) To establish an authority to administer the NID or
28 to designate an existing community development corporation or
29 other existing nonprofit corporation to administer same or to
30 establish a community development corporation or other

1 nonprofit corporation to administer same under sections 6226
2 (relating to neighborhood improvement district management
3 associations) and 6227 (relating to powers of neighborhood
4 improvement district management association).

5 (3) To appropriate and expend, in accordance with the
6 specific provisions of the municipal enabling ordinance,
7 municipal funds as may be required to:

8 (i) Acquire by purchase or lease real or personal
9 property deemed necessary to effectuate the purposes of
10 the NID.

11 (ii) Prepare or have prepared preliminary planning
12 or feasibility studies to determine needed improvements
13 in an NID, including, but not limited to, capital
14 improvements, traditional streetscape and building
15 renovations, retaining walls, street paving, street
16 lighting, parking lots, parking garages, trees and
17 shrubbery, pedestrian walks, sewers, water lines, rest
18 areas, acquisition, rehabilitation or demolition of
19 blighted buildings and structures, graffiti removal,
20 security, marketing, promotions, advertising, business
21 retention and recruitment activities, master leasing and
22 property management, joint advertising, research and
23 planning as well as the provision of additional services
24 to supplement, not replace, existing municipal services
25 provided within the NID.

26 (4) To advance funds to an NIDMA as may be required to
27 carry out the purposes of this subchapter.

28 (5) To collect special property assessments on behalf of
29 the NIDMA levied on designated property owners within the NID
30 and to employ any legal methods to ensure collection of the

1 assessments.

2 (6) To acquire by gift, purchase or eminent domain,
3 land, real property or rights-of-way which may be needed for
4 the purposes of making physical improvements within the NID.

5 (7) To issue bonds, notes or guarantees, in accordance
6 with the provisions of general laws in the amounts and for
7 the periods necessary, to finance needed improvements within
8 any NID.

9 (8) To review all proposed expenditures of funds within
10 NIDs by NIDMAs and suggest changes to same where a nonprofit
11 corporation is the NIDMA.

12 (9) To include a sunset provision of no less than five
13 years in the municipal enabling ordinance creating the NID
14 and in the contract with the NIDMA.

15 (10) To levy an assessment fee on property owners
16 located within an NID needed to finance additional
17 supplemental programs, services and improvements to be
18 provided or made by the NIDMA.

19 § 6225. Neighborhood improvement districts.

20 (a) Establishment.--

21 (1) The governing body of a municipality or municipal
22 business or residents, or combination thereof, may initiate
23 action to establish an NID or NIDs within the municipality
24 under this subchapter.

25 (2) In the case of businesses or residents, or both,
26 desiring to establish an NID where the municipality has not
27 taken action to do so, the governing body of the municipality
28 may be petitioned to establish an NID under the procedures
29 provided for by this subchapter.

30 (3) In no case where the governing body of a

1 municipality is petitioned to establish an NID under
2 paragraph (2) shall the municipality be required to establish
3 an NID.

4 (b) Specific procedures.--

5 (1) A copy of everything required under this section, as
6 well as the date, location and time of any public hearing
7 required by this subchapter, shall be provided by the
8 municipal corporation to all property owners and lessees of
9 property owners located in the proposed NID at least 30 days
10 prior to the first public hearing required by this section.

11 (2) At least one public hearing, no earlier than 15 days
12 apart, for the purpose of receiving public comment from
13 affected property owners within the proposed NID, on the
14 proposed NIDP, shall be held by the municipality before the
15 establishment of an NID. Notice of the hearing shall be
16 advertised at least 10 days prior thereto in a newspaper of
17 general circulation in the municipality.

18 (3) Any objections by property owners within the
19 proposed NID must be made in writing by persons representing
20 the ownership of 40%, in numbers, of the benefited properties
21 within the NID. Objections must be signed by the property
22 owner and filed in the office of the clerk for the governing
23 body of the municipality in which the NID is proposed.

24 (c) Contents of preliminary plan.--The plan shall include
25 the following:

26 (1) A map indicating the boundaries, by street, of the
27 proposed NID; however, a designated property may not be
28 included in more than one NID.

29 (2) A written report from the municipality containing:

30 (i) The name of the proposed district.

1 (ii) A detailed description of the service areas of
2 the proposed district.

3 (iii) A list of all properties to be assessed.

4 (iv) A list of proposed improvements within the NID
5 and their estimated cost.

6 (v) A proposed budget for the first fiscal year,
7 including, but not limited to, the following:

8 (A) personnel and administration;

9 (B) programs and services;

10 (C) maintenance and operation; and

11 (D) capital expenditures.

12 (vi) The proposed revenue sources for financing all
13 proposed improvements, programs and services.

14 (vii) The estimated time for implementation and
15 completion of all proposed improvements, programs and
16 services.

17 (viii) A statement identifying the administrative
18 body which will govern and administer the NID.

19 (ix) Any other information, including the statutory
20 authority or, in the case of a nonprofit corporation, the
21 bylaws, which describe the powers and duties of and the
22 method for making decisions by the NIDMA.

23 (x) The method of determining the amount of the
24 assessment fee to be levied on property owners within the
25 NID under section 6227 (relating to powers of
26 neighborhood improvement district management
27 association).

28 (3) The plan shall also:

29 (i) Identify in detail the specific duties and
30 responsibilities of both the NIDMA and the municipal

1 corporation with respect to the NID.

2 (ii) Require that a written agreement be signed by
3 the municipal corporation and the NIDMA describing in
4 detail their respective duties and responsibilities.

5 (iii) Allow for and encourage tax-exempt property
6 owners located within the NID to provide in-kind services
7 or a financial contribution to the NIDMA, if not
8 assessed, in lieu of a property assessment fee.

9 (iv) Require in the agreement between the municipal
10 corporation and the NIDMA that the municipality must
11 maintain the same level of municipal programs and
12 services provided within the NID before NID designation
13 as after NID designation.

14 (v) Allow the municipal corporation the right to
15 include in the agreement with the NIDMA and in the
16 enabling ordinance establishing the NID, a sunset
17 provision of no less than five years for renewal of the
18 agreement.

19 (vi) Require in the agreement with the NIDMA that
20 the municipality establishing an NID collect all property
21 assessment fees levied within the NID if so desired by
22 the NIDMA.

23 (vii) Provide that a negative vote of at least 40%
24 of the property owners within the NID proposed in the
25 final plan shall be required to defeat the establishment
26 of the proposed NID by filing objections with the clerk
27 for the governing body of the municipality within 45 days
28 of presentation of the final plan where the governing
29 body of the municipality is inclined to establish the
30 NID.

1 (d) Final plan.--

2 (1) Prior to the establishment of an NID, the
3 municipality shall submit a revised final plan to property
4 owners located within the proposed NID which incorporates
5 changes made to the plan based on comments from affected
6 property owners within the NID provided at the public
7 hearings or at some other time.

8 (2) Changes to the final plan which differ from the
9 preliminary plan shall also be so indicated in an easily
10 discernible method for the reader, including, but not limited
11 to, changes being in boldfaced or italicized type.

12 (e) Public hearing.--

13 (1) At least one public hearing for the purpose of
14 receiving public comment on any revisions to the preliminary
15 plan made following suggestions by affected property owners
16 within the proposed NID and reflected in the final NIDP shall
17 be held by the municipal corporation before enacting an
18 ordinance establishing an NID.

19 (2) Notice of the hearing shall be advertised at least
20 10 days prior thereto in a newspaper of general circulation
21 in the municipality.

22 (f) Veto of final plan for NID.--

23 (1) Following the last public hearing required under
24 subsection (e) or under subsection (g) if there is an
25 amendment to the final plan, affected property owners located
26 within a proposed NID shall have 45 days from the date of the
27 hearing to object to and disapprove the final plan or any
28 amendment to the final plan under the requirements of
29 subsection (b) (3).

30 (2) If 40% or more of the affected property owners

1 within the proposed NID fail to register their disapproval of
2 the final plan or amendment to the final plan in writing with
3 the clerk of the governing body of the municipality in which
4 the NID is proposed, the governing body of the municipality
5 may, following the 45-day period, enact a municipal ordinance
6 establishing an NID under this subchapter or, in the case of
7 an amendment to the final plan, adopt any amendments to the
8 ordinance.

9 (g) Amendments to final plan.--

10 (1) The final plan may be amended by the NIDMA any time
11 after the establishment of an NID, under the provisions of
12 this subchapter, upon the recommendation of the NIDMA board,
13 provided there is concurrence with 60% of the property owners
14 within the NID.

15 (2) Amendments to the final plan which also require the
16 approval of the governing body of the municipality
17 establishing the NID include:

18 (i) Substantially changed or added programs,
19 improvements or services to be provided in the NID.

20 (ii) Increased expenditures affecting more than 25%
21 of the total NIDMA budget for the fiscal year.

22 (iii) Incurring increased indebtedness.

23 (iv) Changing the assessment fee structure levied on
24 property owners in the NID.

25 (v) Changing the legal entity of the NIDMA which
26 provides programs, improvements and services within the
27 NID.

28 (vi) Changing the NID service area boundary.

29 Prior to the governing body of the municipality approving any
30 change enumerated in this paragraph, the governing body shall

1 hold at least one public hearing to determine that the change
2 is in the public interest as it relates to affected property
3 owners within the NID.

4 (3) The municipality shall provide public notice of the
5 hearing for the amendment by publication of a notice in at
6 least one newspaper having a general circulation in the NID
7 specifying the time and place of such hearing and the
8 amendment to be considered. The notice shall be published
9 once at least 10 days prior to the date of the hearing.

10 (4) The governing body of the municipality may within 30
11 days following the public hearing and, at its sole
12 discretion, approve or disapprove of the amendment to the
13 plan. If approved, the amendment shall be effective upon the
14 date of such approval.

15 (5) Prior to the adoption of an amendment to the NID
16 boundary which increases the size of the NID, any owner of
17 property to be added to the NID shall be notified of the
18 date, time and location of the public hearing on the proposed
19 amendment to the final plan and provided all information
20 required by subsection (c).

21 § 6226. Neighborhood improvement district management
22 associations.

23 (a) Designation.--When a municipality establishes an NID
24 under this subchapter, an NIDMA shall be designated by the
25 governing body of the municipality in which the NID is to be
26 located to administer programs, improvements and services within
27 the NID.

28 (b) Administration.--

29 (1) NIDs established under this subchapter shall be
30 administered by an NIDMA which shall be an authority

1 established under the former act of May 2, 1945 (P.L.382,
2 No.164), known as the Municipality Authorities Act of 1945,
3 or Chapter 56 (relating to municipal authorities), an
4 existing nonprofit development corporation, an existing
5 nonprofit corporation or a nonprofit development corporation
6 or nonprofit corporation established by the governing body or
7 authorized to be established by the governing body of the
8 municipality in which the NID is to be located, to administer
9 the NIDP.

10 (2) If an active nonprofit development corporation
11 already exists within the geographic boundaries of the NID
12 and formally indicates its interest to the governing body of
13 the municipality to become the designated NIDMA, the
14 governing body of the municipality shall grant that request
15 unless 40% or more of the affected property owners within the
16 proposed NID register their disapproval of this designation
17 in writing with the clerk of the governing body within a 45-
18 day period following the formal written request for
19 designation by the nonprofit development corporation to
20 become the NIDMA.

21 (c) Powers.--An NIDMA established under this subchapter
22 shall assume all powers provided for in section 6227 (relating
23 to powers of neighborhood improvement district management
24 association) immediately upon the effective date of the
25 municipal ordinance enacted under section 6224 (relating to
26 powers of municipal corporation) establishing the NID.

27 (d) Board.--An NIDMA shall have an administrative board as
28 follows:

29 (1) Where an authority established under the former
30 Municipality Authorities Act of 1945 or Chapter 56 serves as

1 the NIDMA, the board shall be appointed under the former
2 Municipality Authorities Act of 1945 or Chapter 56, as
3 applicable.

4 (2) Where an existing nonprofit development corporation
5 or other nonprofit corporation is to serve as the NIDMA, the
6 board shall be appointed according to the bylaws of the NIDMA
7 filed with the Department of State.

8 (3) Where a nonprofit development corporation or other
9 nonprofit corporation is established to serve as the NIDMA
10 for an NID, the board shall be comprised of an odd number of
11 members, between five and nine, with at least one member
12 representing the municipal corporation in which the NID is
13 located.

14 (4) In all cases, an NIDMA board shall include a
15 representative of property owners located in the NID,
16 business owners located in the NID and any institution
17 located in the NID. Institutional members may appoint a
18 designee to represent them. All board members need not be
19 residents of the NID.

20 § 6227. Powers of neighborhood improvement district management
21 association.

22 (a) General powers.--An NIDMA shall have, in addition to any
23 other powers provided under Chapter 56 (relating to municipal
24 authorities), where the NIDMA is an authority, or in addition to
25 any other powers provided under the charter establishing a
26 nonprofit development corporation or other nonprofit
27 corporation, where the NIDMA is a nonprofit development
28 corporation or other nonprofit corporation, the power to:

29 (1) Sue or be sued, implead or be impleaded, complain
30 and defend in all courts.

1 (2) Employ an executive director or administrator and
2 any necessary supporting staff or contract for the provision
3 of same.

4 (3) Prepare planning or feasibility studies or contract
5 for the preparation of same to determine needed capital
6 improvements or administrative programs and services within
7 the NID.

8 (4) Make capital improvements or provide administrative
9 programs and services within an NID.

10 (5) Purchase, own, construct, renovate, develop,
11 operate, rehabilitate, manage, sell or dispose of real
12 property.

13 (6) Contract with existing businesses within the NID.

14 (7) Contract for the provision of products or services
15 by the NIDMA to clients located inside and outside of the
16 NID, including billing and collection of assessment fees by
17 another NIDMA.

18 (8) Appropriate and expend NID funds which would include
19 any Federal, State or municipal funds received by the NIDMA.
20 The funds shall be expended in accordance with any specific
21 provisions contained in the municipal enabling ordinance
22 establishing the NID and may be used:

23 (i) To acquire by purchase or lease real or personal
24 property to effectuate the purposes of this subchapter,
25 including making common improvements within the NID,
26 including, but not limited to, sidewalks, retaining
27 walls, street paving, parks, recreational equipment and
28 facilities, open space, street lighting, parking lots,
29 parking garages, trees and shrubbery, pedestrian walks,
30 sewers, water lines, rest areas and the acquisition,

1 rehabilitation or demolition of blighted buildings or
2 comparable structures.

3 (ii) To provide free or reduced-fee parking for
4 customers of businesses within the NID, transportation-
5 related expenditures, public relations programs, group
6 advertising and NID maintenance and security services.

7 (iii) To impose special assessment fees.

8 (9) Solicit in-kind services or financial contributions
9 from tax-exempt property owners within the NID in lieu of
10 property assessment fees. This may include entering into
11 voluntary multiyear agreements between the NIDMA and tax-
12 exempt property owners located within an NID for the
13 provision of same.

14 (10) Impose liens on property for the nonpayment of
15 property assessments. An NID administered by a nonprofit
16 corporation would have any such liens filed by the municipal
17 corporation.

18 (11) Hire additional off-duty police officers or private
19 security officers whose patrol area responsibilities are
20 limited to the geographical area incorporated within the
21 designated NID service area and whose responsibility is to
22 support existing municipal and volunteer efforts aimed at
23 reducing crime and improving security in the NID.

24 (12) Designate a district advisory committee for each
25 NID established within the municipality. The committee shall
26 consist of an odd number of members, between five and nine,
27 who must represent the neighborhood's character, including,
28 but not limited to, age, sex and cultural diversity.

29 (b) Assessments.--

30 (1) The NIDMA shall, upon approval by the governing body

1 of the municipality, have the power to assess property owners
2 within the NID a special property assessment fee. Revenues
3 from the fee shall be accounted for and used by the NIDMA to
4 make improvements and provide programs and services within
5 the NID as authorized by this subchapter. Where the district
6 established is a ~~bid~~ BID, the NIDMA may exempt residential <--
7 property owners from any special assessment fees levied.

8 (2) All assessments authorized under this section shall
9 be calculated using January 1 as the first day of the fiscal
10 year.

11 (3) All special property assessment fees shall be based
12 upon the estimated cost of the programs, improvements or
13 services to be provided in the NID as stated in the final
14 plan under section 6225(d) (relating to neighborhood
15 improvement districts). In no case shall the aggregate amount
16 of all fees levied by the NIDMA during the year exceed the
17 estimated cost of proposed programs, improvements and
18 services for the year.

19 (4) In the case of an NID which contains a combination
20 of business, residential, industrial or institutional areas
21 and uses, a weighted assessment may be instituted. In such
22 case, the fee levied on property owners generally may be
23 weighted higher for business, industrial or institutional
24 properties than that levied on residential property owners,
25 provided that the basis for the calculation of the fee meets
26 the rational nexus test.

27 (5) The total costs of improvements, programs and
28 administrative services provided by the NIDMA shall be
29 assessed to all designated properties within the NID by one
30 of the following methods:

1 (i) An assessment determined by multiplying the
2 total service and improvement costs by the ratio of the
3 assessed value of the benefited property to the total
4 assessed valuation of all designated benefited properties
5 in the NID.

6 (ii) An assessment upon the several properties in
7 the NID in proportion to benefits as ascertained by
8 viewers appointed in accordance with law.

9 (iii) Any method that equitably apportions costs
10 among benefiting properties.

11 (iv) In the case of improvements benefiting
12 properties abutting the NID by the front-foot method,
13 with equitable adjustments for corner properties and
14 other cases provided for in the municipal ordinance. Any
15 property which cannot be equitably assessed by the front-
16 foot method may be assessed by any of the methods
17 enumerated in subparagraphs (i), (ii) and (iii).

18 (c) Payment.--

19 (1) The governing body may by ordinance authorize the
20 payment of the assessment in equal annual or more frequent
21 installments over such time and bearing interest at the rate
22 specified in the municipal ordinance.

23 (2) If bonds have been issued and sold or notes or
24 guarantees have been given or issued to provide for the cost
25 of the services and improvements, the assessment in equal
26 installments shall not be payable beyond the term for which
27 the bonds, notes or guarantees are payable.

28 (d) Liens.--

29 (1) Notwithstanding the filing of the claims, all
30 assessments which are made payable in installments shall

1 constitute liens and encumbrances upon the respective
2 benefited properties at the beginning of each calendar year,
3 except as provided in subsection (c), and only in an amount
4 equal to the sum of:

5 (i) the annual or other installments becoming
6 payable in such year, with interest and penalties, if
7 any, thereon; and

8 (ii) the total of all installments, with interest
9 and penalties thereon, which became due during prior
10 years and which remain due and unpaid at the beginning of
11 the current year.

12 (2) In the case of default in the payment of any
13 installment and interest for a period of 90 days after the
14 payment becomes due, the assessment ordinance may provide
15 either for the entire assessment, with accrued interest and
16 penalties, to become due and become a lien from the due date
17 of the installment or may provide solely for the enforcement
18 of the claim as to the overdue installment, with interest and
19 penalties, in which case the ordinance shall further provide
20 that if any installment or portion thereof remains due and
21 unpaid for one year after it has become due and payable, then
22 the entire assessment with accrued interest and penalties
23 shall become due and become a lien from the due date of the
24 installment.

25 (3) No action taken to enforce a claim for any
26 installment or installments shall affect the status of any
27 subsequent installment of the same assessment, each of which
28 shall continue to become a lien upon the property annually
29 under paragraph (1).

30 (4) The ordinance may contain any other provision

1 relating to installment assessments which is not inconsistent
2 with applicable law.

3 (5) An owner of property against whom an assessment has
4 been made may pay the assessment in full at any time, with
5 accrued interest and costs thereon. The payment shall
6 discharge the lien of the assessment or installments then
7 constituting a lien and release the claim to any later
8 installments.

9 (6) Claims to secure the assessments shall be entered in
10 the prothonotary's office of the county at the same time and
11 in the same form and collected in the same manner as
12 municipal tax claims are filed and collected, notwithstanding
13 the provisions of this section as to installment payments.

14 § 6228. Additional powers of neighborhood improvement district
15 management association in a cultural district.

16 (a) General rule.--In addition to the powers listed in
17 section 6227 (relating to powers of neighborhood improvement
18 district management association), an NIDMA that is established
19 to oversee a cultural improvement district shall have the powers
20 enumerated in this section.

21 (b) Grant program.--

22 (1) The NIDMA board may annually distribute funds
23 through a cultural district grant program. The cultural
24 district grant program shall distribute funds throughout the
25 cultural district to fund projects that improve the cultural
26 nature of the district.

27 (2) Applicants must submit the grant application to the
28 board between January 1 and March 1 and use the standard form
29 provided by the NIDMA board.

30 (3) Between March 1 and April 1, the NIDMA board shall

1 review the submitted applications.

2 (4) The applicants of applications that are missing any
3 information shall be notified through the mail and given 15
4 days to supply the missing information.

5 (5) Between April 1 and June 1, the NIDMA board shall
6 convene two public hearings to receive public comment in
7 regards to the applications being considered. The hearings
8 shall be advertised in accordance with the provisions of 65
9 Pa.C.S. Ch. 7 (relating to open meetings).

10 (6) (i) Between June 1 and June 30, the board shall
11 meet to discuss the comments provided by the public and
12 vote on the applications.

13 (ii) Any grant must be approved or rejected by the
14 majority of the entire NIDMA board membership.

15 (iii) The NIDMA board shall not be required to
16 approve grants every year.

17 (7) (i) On or after August 1 but not later than
18 September 1, the NIDMA board shall hold a public meeting
19 to announce which grants have received approval. The
20 board shall notify each applicant of the board decision.

21 (ii) If the application is rejected, the board shall
22 provide comments describing why the application was
23 rejected.

24 (iii) Rejection of an application does not prevent
25 an applicant from reapplying at a later date.

26 (c) Demonstration of benefit required.--Funds distributed
27 through the application process provided for under this section
28 must provide a benefit to the entire cultural district.

29 (d) Restriction.--No funds distributed under this section
30 may be used for the payment of salaries or the replacement of

1 equipment.

2 § 6229. Dissolution of neighborhood improvement district
3 management association and neighborhood improvement
4 district.

5 (a) Conveying projects.--When an NIDMA has finally paid and
6 discharged all bonds which together with the interest due
7 thereon are secured by a pledge of any of the revenues or
8 receipts of a project, it may, subject to any agreements
9 concerning the operation or disposition of the project and the
10 NIDMA bylaws, convey the project or projects to the municipal
11 corporation which established the NIDMA.

12 (b) Request for termination by assessed property owners.--

13 (1) Any request for the termination of the NID and NIDMA
14 approved by 40% of the assessed property owners, in numbers,
15 located in the NID must be submitted to the governing body of
16 the municipality in writing.

17 (2) The governing body shall hold a hearing on the
18 merits of the request, under section 6225(b)(2) (relating to
19 neighborhood improvement districts) as it relates to the
20 required procedure of holding a hearing.

21 (3) The request shall be considered by the governing
22 body of the municipality.

23 (4) If the request is approved by the governing body of
24 the municipality, then a resolution to that effect shall be
25 filed with the Secretary of the Commonwealth.

26 (5) The Secretary of the Commonwealth shall note the
27 termination of the existence on the record of incorporation
28 and return the resolution with the secretary's approval shown
29 on the resolution to the municipal corporation.

30 (6) Upon the secretary's receipt of the notice, the

1 property of the NIDMA shall pass to the municipal
2 corporation, as the case may be, and the NIDMA and NID shall
3 cease to exist.

4 (c) Request for termination by governing body.--

5 (1) A request for the termination of the NID and NIDMA
6 by the governing body of the municipality in which the NID is
7 located shall result in a hearing on the merits of the
8 request, under section 6225(b)(2) as it relates to the
9 required procedure for holding a hearing.

10 (2) Before the decision to terminate an NID and NIDMA is
11 made, the termination must be approved by 40% of the assessed
12 property owners, in numbers, located in the NID and shall be
13 submitted to the governing body of the municipality in
14 writing.

15 (3) The written request shall be considered by the
16 governing body of the municipality. If the request is
17 approved by the governing body of the municipality, then a
18 resolution to that effect shall be filed with the Secretary
19 of the Commonwealth.

20 (4) The Secretary of the Commonwealth shall note the
21 termination of the existence on the record of incorporation
22 and return the resolution with the secretary's approval shown
23 to the municipal corporation.

24 (5) Upon the secretary's receipt of the notice, the
25 property of the NIDMA shall pass to the municipal
26 corporation, as the case may be, and the NIDMA and NID shall
27 cease to exist.

28 § 6230. Annual audit; report.

29 The NIDMA shall annually:

30 (1) Submit an audit of all income and expenditures to

1 the Department of Community and Economic Development and the
2 governing body of the municipality in which the NID is
3 located within 120 days after the end of each fiscal year.

4 (2) Submit a report, including financial and
5 programmatic information, including a summary of audit
6 findings, to the governing body of the municipality in which
7 the NID is located and to all assessed property owners
8 located in the NID.

9 § 6231. Applicability.

10 (a) Existing districts.--Except as provided for in
11 subsection (d), any existing business improvement district or
12 downtown improvement district established prior to February 19,
13 2001, shall remain in existence and shall be governed by Chapter
14 56 (relating to municipal authorities), insofar as it relates to
15 business improvement districts, or Chapter 54 (relating to
16 business improvement districts).

17 (b) Districts established subsequently.--Any NID established
18 on or after February 19, 2001, shall be governed by the
19 provisions of this subchapter.

20 (c) Previously terminated districts.--Any business
21 improvement district or downtown improvement district in
22 existence prior to February 19, 2001, which is terminated shall,
23 upon its reestablishment, be governed by the provisions of this
24 subchapter. This shall include any termination resulting from a
25 sunset provision in any municipal agreement or ordinance.

26 (d) Additional requirements.--Any business improvement
27 district or downtown improvement district in existence on or
28 after February 19, 2001, shall:

29 (1) Be required to carry out any duty or responsibility
30 imposed on NIDs under this subchapter.

1 (2) Possess any additional power given to NIDs under
2 this subchapter without having to restructure or reorganize
3 under this subchapter.

4 Section 2. Repeals are as follows:

5 (1) The General Assembly declares that the repeal under
6 paragraph (2) is necessary to effectuate the addition of 53
7 Pa.C.S. Ch. 62 Subch. C.

8 (2) The act of December 20, 2000 (P.L.949, No.130),
9 known as the Neighborhood Improvement District Act, is
10 repealed.

11 Section 3. The addition of 53 Pa.C.S. Ch. 62 Subch. C is a
12 continuation of the former act of December 20, 2000 (P.L.949,
13 No.130), known as the Neighborhood Improvement District Act. The
14 following apply:

15 (1) Except as otherwise provided in 53 Pa.C.S. Ch. 62
16 Subch. C, all activities initiated under the the Neighborhood
17 Improvement District Act shall continue and remain in full
18 force and effect and may be completed under 53 Pa.C.S. Ch. 62
19 Subch. C. Orders, regulations, rules and decisions which were
20 made under the Neighborhood Improvement District Act and
21 which are in effect on the effective date of this section
22 shall remain in full force and effect until revoked, vacated
23 or modified under 53 Pa.C.S. Ch. 62 Subch. C. Contracts,
24 obligations and collective bargaining agreements entered into
25 under the Neighborhood Improvement District Act are not
26 affected nor impaired by the repeal of the Neighborhood
27 Improvement District Act.

28 (2) Except as set forth in paragraph (3), any difference
29 in language between 53 Pa.C.S. Ch. 62 Subch. C and the
30 Neighborhood Improvement District Act is intended only to

1 conform to the style of the Pennsylvania Consolidated
2 Statutes and is not intended to change or affect the
3 legislative intent, judicial construction or administration
4 and implementation of the Neighborhood Improvement District
5 Act.

6 (3) Paragraph (2) does not apply to the addition of the
7 following provisions:

8 (i) The definitions of "cultural improvement
9 district" and "neighborhood improvement district" in 53
10 Pa.C.S. § 6223.

11 (ii) 53 Pa.C.S. § 6228.

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