
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL
No. 188 Session of
1979

INTRODUCED BY ZEMPRELLI, ROSS, FUMO, JUBELIRER, MESSINGER,
REIBMAN AND SCHAEFER, FEBRUARY 12, 1979

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
FEBRUARY 12, 1980

AN ACT

1 Amending the act of May 2, 1945 (P.L.382, No.164), entitled "An
2 act providing for the incorporation as bodies corporate and
3 politic of 'Authorities' for municipalities, counties and
4 townships; prescribing the rights, powers and duties of such
5 Authorities heretofore or hereafter incorporated; authorizing
6 such Authorities to acquire, construct, improve, maintain and
7 operate projects, and to borrow money and issue bonds
8 therefor; providing for the payment of such bonds, and
9 prescribing the rights of the holders thereof; conferring the
10 right of eminent domain on such Authorities; authorizing such
11 Authorities to enter into contracts with and to accept grants
12 from the Federal Government or any agency thereof; and
13 conferring exclusive jurisdiction on certain courts over
14 rates," authorizing Authorities to provide business
15 improvements and business administrative services.

16 The General Assembly of the Commonwealth of Pennsylvania
17 hereby enacts as follows:

18 Section 1. Subsection A. of section 4, act of May 2, 1945
19 (P.L.382, No.164), known as the "Municipality Authorities Act of
20 1945," amended August 1, 1975 (P.L.164, No.85), is amended and
21 the section is amended by adding a subsection to read:

22 Section 4. Purposes and Powers; General.--A. Every
23 Authority incorporated under this act shall be a body corporate

1 and politic, and shall be for the purpose of acquiring, holding,
2 constructing, improving, maintaining and operating, owning,
3 leasing, either in the capacity of lessor or lessee, projects of
4 the following kind and character, equipment to be leased by an
5 Authority to the municipality or municipalities that organized
6 it, buildings to be devoted wholly or partially for public uses,
7 including public school buildings, and facilities for the
8 conduct of judicial proceedings, and for revenue-producing
9 purposes; transportation, marketing, shopping, terminals,
10 bridges, tunnels, flood control projects, highways, parkways,
11 traffic distribution centers, parking spaces, airports, and all
12 facilities necessary or incident thereto, parks, recreation
13 grounds and facilities, sewers, sewer systems or parts thereof,
14 sewage treatment works, including works for treating and
15 disposing of industrial waste, facilities and equipment for the
16 collection, removal or disposal of ashes, garbage, rubbish and
17 other refuse materials by incineration, land fill or other
18 methods, steam heating plants and distribution systems,
19 incinerator plants, waterworks, water supply works, water
20 distribution systems, swimming pools, playgrounds, lakes, low
21 head dams, hospitals, health centers, motor buses for public
22 use, when such motor buses are to be used within any
23 municipality, subways and industrial development projects,
24 including but not limited to projects to retain or develop
25 existing industries and the development of new industries:
26 Provided, That an Authority created by a school district or
27 school districts shall have the power only to acquire, hold,
28 construct, improve, maintain, operate and lease public school
29 buildings and other school projects acquired, constructed or
30 improved for public school purposes. The purpose and intent of

1 this act being to benefit the people of the Commonwealth by,
2 among other things, increasing their commerce, health, safety
3 and prosperity, and not to unnecessarily burden or interfere
4 with existing business by the establishment of competitive
5 enterprises, none of the powers granted by this act shall be
6 exercised in the construction, improvement, maintenance,
7 extension or operation of any project or projects which in whole
8 or in part shall duplicate or compete with existing enterprises
9 serving substantially the same purposes. This limitation shall
10 not apply to the exercise of the powers granted hereunder for
11 facilities and equipment for the collection, removal or disposal
12 of ashes, garbage, rubbish and other refuse materials by
13 incineration, land fill or other methods, if each municipality
14 organizing or intending to use the facilities of an Authority
15 having such powers shall declare by resolution or ordinance that
16 it is desirable for the health and safety of the people of such
17 municipality that it use the facilities of the Authority, and if
18 any contract between such municipality and any other person,
19 firm or corporation for the collection, removal or disposal of
20 ashes, garbage, rubbish and other refuse material has by its
21 terms expired or is terminable at the option of the municipality
22 or will expire within six months from the date such ordinance
23 becomes effective. This limitation shall not apply to the
24 exercise of the powers granted hereunder for industrial
25 development projects if the Authority does not develop
26 industrial projects which will compete with existing industries.
27 This limitation shall not apply to the exercise of the powers
28 granted hereunder for business improvement districts if each
29 municipality organizing an Authority for such a project shall
30 declare by resolution or ordinance that it is desirable for the

1 entire municipality to improve the business district. This
2 limitation shall also not apply to hospital projects to be
3 leased to public hospitals or nonprofit hospital corporations
4 serving the public if each municipality organizing an Authority
5 for such a project shall declare by resolution or ordinance that
6 it is desirable for the health and safety of the people in the
7 area served by such hospital to have such facilities provided by
8 an Authority. The municipality or municipalities organizing such
9 an Authority may, in the resolution or ordinance signifying
10 their intention so to do, or from time to time by subsequent
11 resolution or ordinance, specify the project or projects to be
12 undertaken by the said Authority, and no other projects shall be
13 undertaken by the said Authority than those so specified. If the
14 municipal authorities organizing an Authority fail to specify
15 the project or projects to be undertaken, then the Authority
16 shall be deemed to have all the powers granted by this act.

17 * * *

18 E. In addition to the other purposes designated by this act,
19 an Authority may be established to make business improvements or
20 PROVIDE administrative services in districts designated by the <—
21 municipality or municipalities acting jointly and zoned
22 commercial or used for general commercial purposes OR IN <—
23 CONTIGUOUS AREAS, PROVIDED THE INCLUSION OF A CONTIGUOUS AREA IS
24 DIRECTLY RELATED TO THE IMPROVEMENTS AND SERVICES PROPOSED BY
25 THE AUTHORITY.

26 Business improvements means those improvements needed in the
27 district to the district in general or to specific areas or
28 individual properties including but not limited to sidewalks,
29 retaining walls, street paving, street lighting, parking lots,
30 parking garages, trees and shrubbery, pedestrian walks, sewers,

water lines, rest areas and acquisition and remodeling or
demolition of blighted buildings or structures. Improvements
shall not be made to property not acquired BY PURCHASE OR LEASE, <—
OTHER THAN THOSE IMPROVEMENTS MADE WITHIN A RIGHT-OF-WAY.

Administrative service means those ~~intangible matters~~ <—
SERVICES which improve the ability of the commercial activities <—
ESTABLISHMENTS of the district to serve the consumer ~~including~~ <—
~~but not limited to~~ SUCH AS free or reduced free FEE parking for <—
customers, transportation repayments, public relations programs,
group advertising, and ~~uniforms~~ UNIFORM credit policies AND <—
DISTRICT MAINTENANCE AND SECURITY SERVICES.

The Authority ~~may~~ SHALL make planning or feasibility studies <—
to determine needed improvements or administrative services.
Written notice of the proposed improvement or service, and the <—
estimated cost thereof AND THE PROPOSED METHOD OF ASSESSMENT AND <—
PROJECTED COST TO INDIVIDUAL PROPERTY OWNERS shall be given to
each property owner AND COMMERCIAL LESSEES IN BENEFITED <—
PROPERTIES in the district AT LEAST THIRTY DAYS PRIOR TO THE <—
PUBLIC HEARING.

The Authority shall be required to hold a public hearing on
the proposed improvement or service, and the estimated costs <—
thereof AND THE PROPOSED METHOD OF ASSESSMENT. Notice of such <—
hearing shall be advertised at least ten days prior thereto in a
newspaper whose circulation is within the municipality where the
Authority is established. At such public hearing any interested
party may be heard.

The Authority shall take no further action on any proposed
improvement or service ~~if objection is made~~ UNTIL THE PROPOSAL, <—
INCLUDING THE ESTIMATED COST AND METHOD OF ASSESSMENT, IS
APPROVED, IN WRITING BY PERSONS REPRESENTING THE OWNERSHIP OF A <—

1 ~~MAJORITY TWO-THIRDS, IN NUMBERS, OF THE BENEFITED PROPERTIES IN~~
2 ~~THE DISTRICT AND BY property owners of the proposed district~~
3 ~~whose property valuation as assessed for taxable purposes shall~~
4 ~~amount to more than fifty per cent TWO-THIRDS of the total~~ <—
5 ~~property valuation of the district. Objections shall MAY be made~~ <—
6 ~~within twenty days after the conclusion of the public hearing on~~ <—
7 ~~the proposed improvement or service. Objections must be in~~
8 ~~writing, signed and filed in the office of the prothonotary of~~ <—
9 ~~the county GOVERNING BODY OF THE MUNICIPALITY in which the~~ <—
10 ~~district is located and in the registered office of the~~
11 ~~Authority.~~

12 The Authority may impose an assessment on each benefited
13 property within a business improvement district which shall be
14 determined by ~~BASED UPON the total~~ ESTIMATED cost of the <—
15 improvements or services in such district stated in the planning
16 or feasibility study.

17 ~~The total cost of the improvements or services in such~~ <—
18 ~~district shall be assessed to all of the benefited properties in~~
19 ~~the district by either of the following methods:~~ SUCH INDIVIDUAL <—
20 ASSESSMENTS SHALL BE DETERMINED BY ONE OF THE FOLLOWING METHODS:

21 (a) By an assessment determined by multiplying the total
22 improvement or service cost by the ratio of the assessed value
23 of the benefited property to the total assessed valuation of all
24 benefited properties in the district.

25 (b) By an assessment upon the several properties in the
26 district in proportion to benefits as ascertained by viewers
27 appointed in accordance with municipal law.

28 (c) An assessment allocated according to gross sales or
29 gross or net profits. ~~or actual benefit.~~ Before any assessments <—
30 are made, the Authority shall submit the plan, and estimated <—

1 costs AND THE PROPOSED METHOD OF ASSESSMENT for the business <—
2 improvements to the municipality in which such project is to be
3 undertaken and the municipality shall have approved the plan,
4 THE PROPOSED METHOD OF ASSESSMENT and estimated cost. There <—
5 shall not be charged against the improved properties an
6 aggregate amount in excess of the estimated cost.

7 The Authority may by resolution authorize the payment of the
8 assessment in equal annual, or more frequent installments over
9 such time and bearing interest at such rate not in excess of six
10 percent as may be specified in the resolution. Where bonds shall
11 have been issued and sold, or notes or guarantees given or
12 issued, to provide for the cost of the improvements or services
13 the assessment in equal installments for bond repayment shall
14 not be payable beyond the term for which the bonds, notes or
15 guarantees are payable.

16 Claims to secure the assessments shall be entered in the
17 prothonotary's office of the county at the same time and in the
18 form and shall be collected in the same manner as municipal
19 claims are filed and collected notwithstanding the provisions of
20 this section as to installment payments.

21 In the case of default in the payment of any installment and
22 interest for a period of sixty days after it becomes due, the
23 entire assessment and accrued interest shall be due.

24 Any owner of property, against whom an assessment has been
25 made, may pay the same in full, at any time, with accrued
26 interest and costs thereon, and such payment shall discharge the
27 lien of such assessment.

28 Section 2. This act shall take effect in 60 days.