

Statement of the Pennsylvania Downtown Center
Before the
Pennsylvania House of Representatives Urban Affairs Committee
Concerning Amendments to the Neighborhood Improvement District Act
Presented By:
Geoffrey Brace, Eastern Region Program Services Coordinator

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Independence Seaport Museum
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Good Morning Chairman Petrone, Representative Taylor and members of the committee. On behalf of PDC Board Chairperson Cynthia Philo and Executive Director Bill Fontana, I would like to thank the committee for granting the Pennsylvania Downtown Center the opportunity to testify before this committee concerning the topic of casino-oriented improvement districts. I would especially like to thank Rep. O'Brien for his leadership on this issue. Pennsylvania's traditional neighborhoods, traditional business districts, downtowns and Main Streets benefit from any discussion about the quality of life issues that we face.

I would like to begin my remarks by stating that the Pennsylvania Downtown Center is of the opinion that casinos will generate both benefits and challenges for the neighborhoods where these facilities are located. Jobs, an enhanced tax-base, and spin-off business opportunities represent just a few the opportunities. Congestion, the need for increased public services and the need for enhanced public amenities are among the challenges. The attempt of the changes proposed to Act 130 of 2000, the Neighborhood Improvement District Act, to help insure that casinos become good neighbors in those communities where they are located is admirable and has the support of the Pennsylvania Downtown Center.

There are several specific issues we would like to draw to the attention of the committee as they related to A06748, Printers Number 2073.

Relative to the composition of the board of the C-NIDMA, we applaud the revision that makes municipal representatives and members of the Pennsylvania General Assembly non-voting members of the board. Our experience has shown that the less perception there is by the business community that the board of the NIDMA is "controlled" by government, the greater the likelihood of approval of the NID Plan. These revisions from those originally envisioned are supported by PDC.

In Chapter 5, Section 505, g, 2, We would suggest that one or the other of these voting provisions be selected, with our preference being for one vote by the ownership structure for each separately deeded parcel within the boundary of the C-NID. Once again our experience has been that the provision that allows for 51% of the assessed valuation to be the basis upon which the ultimate decision to approve the C-NID is made could result in very few, or perhaps only one property owner having the final decision concerning the outcome of any C-NID vote.

Also in Chapter 5, Section 505, g. 2. we are concerned that the complete exclusion of the owners of Casino from any ability to vote on the proposed NID plan may be a basis for challenge of the law if it is approved, or the district if the law itself is not subject to legal challenge. It is the collection of property owners who make the decision to contribute the annual assessments that support the improvement district. Removing what will presumably be the largest payee in a C-NID from having the opportunity to vote could be problematic. We encourage legal counsel for the committee to take a closer look at that particular provision.

Other than those particular provisions of Chapter 5, PDC does have some concern that several technical items that require attention as they currently exist in Act 130 have been transferred to Chapter 5. One of these technical items concerns the way in which the improvement district deals with non-profits in side the NID boundary, which we, and some legal counsels in communities that have put NIDs in place, feel is inconsistent. There are other issues such as this that we would like to the opportunity to address with the staff and legal counsel for the committee before this bill begins the approval process.

Finally let me say that the Pennsylvania Downtown Center is prepared to act as an objective third party in any discussion between the owners of casinos and the Committee. PDC has a particular interest in those casinos which will impact the neighborhoods of "core communities." We have no doubt that the proposal for a casino-oriented neighborhood improvement district may meet with some resistance from the gaming industry. We would be happy to offer our services in any that our IRS recognized 501(c)3 non-profit status might be thought of as beneficial to the advancing the concept of casino's as good stewards of the neighborhoods where they are located.

Thank you for the opportunity to address the committee and I will be happy to try to answer any questions you might have. Please understand that my position will require me to consult with the Executive Director of PDC and our Executive Committee before any commitments of any kind can be made.