

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, MAY 29, 1979

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
24 and politic, and shall be for the purpose of acquiring, holding,

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

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

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

16 * * *

17 E. In addition to the other purposes designated by this act,
18 an Authority may be established to make business improvements or
19 administrative services in districts designated by the
20 municipality or municipalities acting jointly and zoned
21 commercial or used for general commercial purposes.

22 Business improvements means those improvements needed in the
23 district to the district in general or to specific areas or
24 individual properties including but not limited to sidewalks,
25 retaining walls, street paving, street lighting, parking lots,
26 parking garages, trees and shrubbery, pedestrian walks, sewers,
27 water lines, rest areas and acquisition and remodeling or
28 demolition of blighted buildings or structures. Improvements
29 shall not be made to property not acquired.

30 Administrative service means those intangible matters which

1 improve the ability of the commercial activities of the district
2 to serve the consumer including but not limited to free or
3 reduced free parking for customers, transportation repayments,
4 public relations programs, group advertising and uniforms credit
5 policies.

6 The Authority may make planning or feasibility studies to
7 determine needed improvements or administrative services.
8 Written notice of the proposed improvement or service and the
9 estimated cost thereof shall be given to each property owner in
10 the district.

11 The Authority shall be required to hold a public hearing on
12 the proposed improvement or service and the estimated costs
13 thereof. Notice of such hearing shall be advertised at least ten
14 days prior thereto in a newspaper whose circulation is within
15 the municipality where the Authority is established. At such
16 public hearing any interested party may be heard.

17 The Authority shall take no further action on any proposed
18 improvement or service if objection is made by a majority of the <—
19 property owners in the district. PROPERTY OWNERS OF THE PROPOSED <—
20 DISTRICT WHOSE PROPERTY VALUATION AS ASSESSED FOR TAXABLE
21 PURPOSES SHALL AMOUNT TO MORE THAN FIFTY PER CENT OF THE TOTAL
22 PROPERTY VALUATION OF THE DISTRICT. Objections shall be made
23 within twenty days after the conclusion of the public hearing on
24 the proposed improvement or service. Objections must be in
25 writing, signed and filed in the office of the prothonotary of
26 the county in which the district is located and in the
27 registered office of the Authority.

28 The Authority may impose an assessment on each benefited
29 property within a business improvement district which shall be
30 determined by the total cost of the improvements or services in

1 such district stated in the planning or feasibility study.

2 The total cost of the improvements or services in such
3 district shall be assessed to all of the benefited properties in
4 the district by either of the following methods:

5 (a) By an assessment determined by multiplying the total
6 improvement or service cost by the ratio of the assessed value
7 of the benefited property to the total assessed valuation of all
8 benefited properties in the district.

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

12 (c) An assessment allocated according to gross sales or
13 gross or net profits or actual benefit. Before any assessments
14 are made, the Authority shall submit the plan and estimated
15 costs for the business improvements to the municipality in which
16 such project is to be undertaken and the municipality shall have
17 approved the plan and estimated cost. There shall not be charged
18 against the improved properties an aggregate amount in excess of
19 the estimated cost.

20 The Authority may by resolution authorize the payment of the
21 assessment in equal annual, or more frequent installments over
22 such time and bearing interest at such rate not in excess of six
23 percent as may be specified in the resolution. Where bonds shall
24 have been issued and sold, or notes or guarantees given or
25 issued, to provide for the cost of the improvements or services
26 the assessment in equal installments for bond repayment shall
27 not be payable beyond the term for which the bonds, notes or
28 guarantees are payable.

29 Claims to secure the assessments shall be entered in the
30 prothonotary's office of the county at the same time and in the

1 form and shall be collected in the same manner as municipal
2 claims are filed and collected notwithstanding the provisions of
3 this section as to installment payments.

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

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

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