
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1416 Session of
2000

INTRODUCED BY CONTI, KUKOVICH, TOMLINSON, GERLACH, WHITE, COSTA,
BOSCOLA AND O'PAKE, APRIL 13, 2000

REFERRED TO URBAN AFFAIRS AND HOUSING, APRIL 13, 2000

AN ACT

1 Authorizing counties and municipalities to designate urban
2 infill and redevelopment areas based on specified criteria;
3 providing for community participation; requiring preparation
4 of a plan or designation of an existing plan and providing
5 requirements with respect thereto; requiring notice and
6 public hearing for the ordinance adopting the plan; providing
7 for amendment of the local comprehensive plan and for
8 economic and regulatory incentives; providing that counties
9 and municipalities adopting a plan may issue revenue bonds
10 and employ tax increment financing; providing a program for
11 grants to counties and municipalities with urban infill and
12 redevelopment areas; changing standards for projects located
13 in certain urban infill and redevelopment areas; authorizing
14 acquisition by eminent domain; providing procedures by which
15 counties and municipalities may develop and adopt a plan to
16 improve efficiency, accountability and coordination of
17 delivery of local government services; and authorizing
18 municipal annexation.

19 The General Assembly of the Commonwealth of Pennsylvania
20 hereby enacts as follows:

21 Section 1. Short title.

22 This act shall be known and may be cited as the 21st Century
23 Neighborhoods Act.

24 Section 2. Legislative findings and purpose.

25 The General Assembly finds and declares as follows:

1 (1) Fiscally strong urban centers are beneficial to
2 State and regional economies and resources, are a method for
3 reduction of future urban sprawl and should be promoted by
4 State, regional and local governments.

5 (2) The health and vibrancy of the urban cores benefit
6 their respective regions and this Commonwealth; conversely,
7 the deterioration of those urban cores negatively impacts the
8 surrounding area and this Commonwealth.

9 (3) In recognition of the interwoven destiny between the
10 urban center, the suburbs, the region and the Commonwealth,
11 the respective governments need to establish a framework and
12 work in partnership with communities and the private sector
13 to revitalize urban centers.

14 (4) Commonwealth urban policies should guide the
15 Commonwealth, regional agencies, local governments and the
16 private sector in preserving and redeveloping existing urban
17 centers and promoting the adequate provision of
18 infrastructure, human services, safe neighborhoods,
19 educational facilities and economic development to sustain
20 these centers into the future.

21 (5) Successfully revitalizing and sustaining the urban
22 centers is dependent on addressing, through an integrated and
23 coordinated community effort, a range of varied components
24 essential to a healthy urban environment, including cultural,
25 educational, recreational, economic, transportation and
26 social service components.

27 (6) Infill development and redevelopment are recognized
28 as important components and useful mechanisms to promote and
29 sustain urban centers. Commonwealth and regional entities and
30 local governments should provide incentives to promote urban

1 infill and redevelopment. Existing programs and incentives
2 should be integrated to the extent possible to promote urban
3 infill and redevelopment and to achieve the goals of the
4 Commonwealth urban policy.

5 (7) In recognition of the importance of Pennsylvania's
6 vital urban centers and of the need to develop and revitalize
7 downtown areas in order to accommodate growth in an orderly,
8 efficient and environmentally acceptable manner,
9 centralization of commercial, governmental, retail,
10 residential and cultural activities within downtown areas
11 should be encouraged by:

12 (i) Providing incentives to encourage private sector
13 investment in the preservation and enhancement of
14 downtown areas.

15 (ii) Assisting local governments in the planning,
16 financing and implementation of development efforts aimed
17 at revitalizing distressed downtown areas.

18 (iii) Promoting Commonwealth programs and
19 investments which encourage redevelopment of downtown
20 areas.

21 (iv) Encouraging communities to engage in a redesign
22 step to include public participation of members of the
23 community in envisioning redevelopment goals and design
24 of the community core before redevelopment.

25 (v) Ensuring that local governments have adequate
26 flexibility to determine and address their urban
27 priorities within the Commonwealth urban policy.

28 (vi) Enhancing the linkages between land use, water
29 use and transportation planning in State, regional and
30 local plans for current and future designated urban

1 areas.

2 (vii) Promoting processes for the Commonwealth,
3 general purpose local governments, school boards and
4 local community colleges to coordinate and cooperate
5 regarding educational facilities in urban areas,
6 including planning functions, the development of joint
7 facilities and the reuse of existing buildings.

8 (viii) Encouraging development of mass transit
9 systems for urban centers, including multimodal
10 transportation feeder systems, as a priority of local,
11 metropolitan, regional and State transportation planning.

12 (ix) Locating appropriate public facilities within
13 urban centers to demonstrate public commitment to the
14 centers and to encourage private sector development.

15 (x) Integrating State programs that have been
16 developed to promote economic development and
17 neighborhood revitalization through incentives to promote
18 the development of designated urban infill areas.

19 (xi) Promoting infill development and redevelopment
20 as an important mechanism to revitalize and sustain urban
21 centers.

22 Section 3. Definitions.

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

26 "Local government." Any county or municipality.

27 "Urban infill and redevelopment area." An area or areas
28 designated by a local government where:

29 (1) public services such as water and wastewater,
30 transportation, schools and recreation are already available

1 or are scheduled to be provided in an adopted five-year
2 schedule of capital improvements and are located within the
3 existing urban service area as defined in the local
4 government's comprehensive plan;

5 (2) the area, or one or more neighborhoods within the
6 area, suffers from pervasive poverty, unemployment and
7 general distress;

8 (3) the area exhibits a higher than average proportion,
9 compared to the local government as a whole, of buildings
10 that are substandard, overcrowded, dilapidated, vacant or
11 abandoned, or functionally obsolete;

12 (4) more than 50% of the area is within one-quarter mile
13 of a transit stop or stops, or such transit stop or stops
14 will be made available concurrent with the designation; and

15 (5) the area includes or is adjacent to community
16 redevelopment areas or enterprise zones or has been
17 designated by the Federal Government as an empowerment zone,
18 enterprise community or similar urban revitalization
19 designation.

20 Section 4. Designation of urban infill and redevelopment area.

21 (a) Infill designation.--A local government may designate a
22 geographic area or areas within its jurisdiction as an urban
23 infill and redevelopment area for the purpose of targeting
24 economic, job creation, housing, transportation, neighborhood
25 revitalization and preservation and land use incentives to
26 encourage urban infill and redevelopment within the urban core.

27 (b) Community participation.--As part of the preparation of
28 an urban infill and redevelopment area plan, a community
29 participation process shall be implemented in each neighborhood
30 within the area targeted for designation as an urban infill and

1 redevelopment area. The process shall include the input of
2 stakeholders, including, but not limited to, community-based
3 organizations, neighborhood associations and educational and
4 religious organizations. The objective of the community
5 participation is to encourage communities within the proposed
6 urban infill and redevelopment area to participate in the design
7 and implementation of the plan, including a visioning of the
8 community core, before redevelopment. Issues to be addressed in
9 the planning process include the size of the area, the
10 objectives for urban infill and redevelopment, coordination with
11 existing redevelopment programs, goals for improving transit and
12 transportation, the objectives for economic development, job
13 creation, crime reduction and neighborhood preservation and
14 revitalization.

15 (c) Preparation of plan.--A local government seeking to
16 designate a geographic area within its jurisdiction as an urban
17 infill and redevelopment area shall prepare a plan that
18 describes the infill and redevelopment objectives of the local
19 government within the proposed area. In lieu of preparing a new
20 plan, the local government may demonstrate that an existing plan
21 or combination of plans associated with a community development
22 area, sustainable community, enterprise zone or neighborhood
23 improvement district includes the factors listed in this
24 subsection, or may amend such existing plans to include the
25 factors listed in this subsection. The plan shall demonstrate
26 the local government and community's commitment to
27 comprehensively addressing the urban problems within the urban
28 infill and redevelopment area and identify activities and
29 programs to accomplish locally identified goals such as code
30 enforcement; improved educational opportunities; reduction in

1 crime; neighborhood preservation and revitalization; provision
2 of infrastructure needs, including mass transit and multimodal
3 linkages; and mixed-use planning to promote multifunctional
4 redevelopment to improve both the residential and commercial
5 quality of life in the area. The plan shall also:

6 (1) Contain a map depicting the geographic area or areas
7 to be included within the designation.

8 (2) Confirm that the urban infill and redevelopment area
9 is within an existing urban service area defined in the local
10 government's comprehensive plan.

11 (3) Identify existing enterprise zones, community
12 redevelopment areas, community development corporations,
13 downtown redevelopment districts, safe neighborhood
14 improvement districts, historic preservation districts and
15 empowerment zones located within the area proposed for
16 designation as an urban infill and redevelopment area and
17 provide a framework for coordinating infill and redevelopment
18 programs within the urban core.

19 (4) Identify a memorandum of understanding between the
20 district school board and the local government jurisdiction
21 regarding public school facilities located within the urban
22 infill and redevelopment area to identify how the school
23 board will provide priority to enhancing public school
24 facilities and programs in the designated area, including the
25 reuse of existing buildings for schools within the area.

26 (5) Identify each neighborhood within the proposed area
27 and State preservation and revitalization goals and projects
28 identified through the community participation process and
29 how such projects shall be implemented.

30 (6) Identify how the local government intends to

1 implement affordable housing programs, including, but not
2 limited to, economic and community development programs
3 administered by the Department of Community and Economic
4 Development, within the urban infill and redevelopment area.

5 (7) Identify strategies for reducing crime.

6 (8) Adopt, if applicable, land development regulations
7 specific to the urban infill and redevelopment area which
8 include, for example, setbacks and parking requirements
9 appropriate to urban development.

10 (9) Identify and map any relevant public transportation
11 corridors designated by a metropolitan planning organization
12 in its long-range transportation plans or by the local
13 government in its comprehensive plan for which the local
14 government seeks designation as a transportation concurrency
15 exception area, and describe how public transportation,
16 pedestrian ways and bicycle ways will be implemented as an
17 alternative to increased automobile use for such areas.

18 (10) Identify and adopt a package of financial and local
19 government incentives which the local government will offer
20 for new development, expansion of existing development and
21 redevelopment within the urban infill and redevelopment area.

22 Examples of such incentives include:

23 (i) Waiver of license and permit fees.

24 (ii) Waiver of local option sales taxes.

25 (iii) Waiver of delinquent taxes or fees to promote
26 the return of property to productive use.

27 (iv) Expedited permitting.

28 (v) Lower transportation impact fees for development
29 which encourages higher use of public transit, pedestrian
30 and bicycle modes of transportation.

1 (vi) Prioritization of infrastructure spending
2 within the urban infill and redevelopment area.

3 (vii) Local government absorption of developers'
4 concurrency costs.

5 (11) Identify how activities and incentives within the
6 urban infill and redevelopment area will be coordinated and
7 what administrative mechanism the local government will use
8 for the coordination.

9 (12) Identify performance measures to evaluate the
10 success of the local government in implementing the urban
11 infill and redevelopment plan.

12 (d) Adoption of plan.--After the preparation of an urban
13 infill and redevelopment plan or designation of an existing
14 plan, the local government shall adopt the plan by ordinance.
15 Public hearings shall be held on such ordinance, and notice
16 shall be given of such hearings.

17 (e) Land use plan amendment.--In order for a local
18 government to designate an urban infill and redevelopment area,
19 it must amend its comprehensive land use plan to adopt the urban
20 infill and redevelopment area plan and delineate the urban
21 infill and redevelopment area within the future land use element
22 of its comprehensive plan. If the local government elects to
23 employ an existing or amended community redevelopment,
24 sustainable community, enterprise zone or neighborhood
25 improvement district plan or plans in lieu of preparation of an
26 urban infill and redevelopment plan, the local government must
27 amend its comprehensive land use plan to delineate the urban
28 infill and redevelopment area within the future land use element
29 of its comprehensive plan.

30 (f) Eligibility--

1 (1) In order to continue to be eligible for the economic
2 and regulatory incentives granted with respect to an urban
3 infill and redevelopment area, the local government must
4 demonstrate during the evaluation, assessment and review of
5 its comprehensive plan that at least 10% of its combined
6 annual residential, commercial and institutional development
7 has occurred within the designated urban infill and
8 redevelopment area.

9 (2) If the local government fails to implement the urban
10 infill and redevelopment plan in accordance with the
11 deadlines set forth in the plan, the Department of Community
12 and Economic Development may seek to rescind the economic and
13 regulatory incentives granted to the urban infill and
14 redevelopment area. The action to rescind may be initiated 90
15 days after issuing a written letter of warning to the local
16 government.

17 Section 5. Economic incentives and report.

18 (a) Bonds.--A local government with an adopted urban infill
19 and redevelopment plan or plan employed in lieu thereof may
20 issue revenue bonds and employ tax increment financing for the
21 purpose of financing the implementation of the plan.

22 (b) Special assessments.--A local government with an adopted
23 urban infill and redevelopment plan or plan employed in lieu
24 thereof may exercise the powers granted for community
25 redevelopment neighborhood improvement districts, including the
26 authority to levy special assessments.

27 (c) Report.--State agencies that provide infrastructure
28 funding, cost reimbursement, grants or loans to local
29 governments, including, but not limited to, the Department of
30 Environmental Protection, the Department of Community and

1 Economic Development and the Department of Transportation, are
2 directed to report to the President of the Senate and the
3 Speaker of the House of Representatives by January 1, 2001,
4 regarding statutory and rule changes necessary to give urban
5 infill and redevelopment areas identified by local governments
6 under this act an elevated priority in infrastructure funding,
7 loan and grant programs.

8 Section 6. Grant program.

9 An urban infill and redevelopment assistance grant program is
10 created for local governments with adopted urban infill and
11 redevelopment areas. Ninety percent of the general revenue
12 appropriated for this program shall be available for 50/50
13 matching grants for planning and implementing urban infill and
14 redevelopment projects that further the objectives set forth in
15 the local government's adopted urban infill and redevelopment
16 plan or plan employed in lieu thereof. The remaining 10% of the
17 revenue must be used for outright grants for projects requiring
18 an expenditure of under \$50,000. Projects that provide
19 employment opportunities to clients of the wages program and
20 projects within urban infill and redevelopment areas that
21 include a community redevelopment area, enterprise zone or
22 neighborhood improvement district must be given an elevated
23 priority in the scoring of competing grant applications. The
24 Division of Community Development and Housing of the Department
25 of Community and Economic Development shall administer the grant
26 program. The Department of Community and Economic Development
27 shall adopt rules establishing grant review criteria consistent
28 with this section.

29 Section 7. Eminent domain.

30 Any county or municipality, or any community redevelopment

1 agency pursuant to specific approval of the governing body of
2 the county or municipality which established the agency, as
3 provided by any county or municipal ordinance has the right to
4 acquire by condemnation any interest in real property, including
5 a fee simple title thereto, which it deems necessary for or in
6 connection with community redevelopment and related activities
7 under this act.

8 Section 8. Efficient local government services.

9 (a) General rule.--In connection with an urban infill and
10 redevelopment area, any county or combination of counties, and
11 the municipalities therein, may use the procedures provided by
12 this section to develop and adopt a plan to improve the
13 efficiency, accountability and coordination of the delivery of
14 local government services. The development of such a plan may be
15 initiated by a resolution adopted by a majority vote of the
16 governing body of each of the counties involved, by resolutions
17 adopted by a majority vote of the governing bodies of a majority
18 of the municipalities within each county or by resolutions
19 adopted by a majority vote of the governing bodies of the
20 municipality or combination of municipalities representing a
21 majority of the municipal population of each county. The
22 resolution shall specify the representatives of the county and
23 municipal governments, of any affected special districts and of
24 any relevant local government agencies who will be responsible
25 for developing the plan. The resolution shall include a proposed
26 timetable for development of the plan and shall specify the
27 local government support and personnel services which will be
28 made available to the representatives developing the plan.

29 (b) Plan.--Upon adoption of a resolution or resolutions as
30 provided in subsection (a), the designated representatives shall

1 develop a plan for delivery of local government services. The
2 plan shall:

3 (1) Designate the areawide and local government services
4 which are the subject of the plan.

5 (2) Describe the existing organization of such services
6 and the means of financing the services, and create a
7 reorganization of such services and the financing thereof
8 that will meet the goals of this section.

9 (3) Designate the local agency that should be
10 responsible for the delivery of each service.

11 (4) Designate those services that should be delivered
12 regionally or countywide. No provision of the plan shall
13 operate to restrict the power of a municipality to finance
14 and deliver services in addition to or at a higher level than
15 the services designated for regional or countywide delivery
16 under this paragraph.

17 (5) Provide means to reduce the cost of providing local
18 services and enhance the accountability of service providers.

19 (6) Include a multiyear capital outlay plan for
20 infrastructure.

21 (7) Specifically describe any expansion of municipal
22 boundaries that would further the goals of this section. Any
23 area proposed to be annexed must meet all applicable legal
24 standards. The plan shall not contain any provision for
25 contraction of municipal boundaries or elimination of any
26 municipality.

27 (8) Provide specific procedures for modification or
28 termination of the plan.

29 (9) Specify the effective date of the plan.

30 (c) Conformance to other plans.--

1 (1) A plan developed pursuant to this section must
2 conform to all applicable comprehensive plans.

3 (2) No provision of a plan developed pursuant to this
4 section shall restrict the authority of any State or regional
5 governmental agency to perform any duty required to be
6 performed by that agency by law.

7 (d) Approval.--

8 (1) A plan developed pursuant to this section must be
9 approved by a majority vote of the governing body of each
10 county involved in the plan, by a majority of the governing
11 bodies of a majority of municipalities in each county and by
12 a majority vote of the governing bodies of the municipality
13 or municipalities that represent a majority of the municipal
14 population of each county.

15 (2) After approval by the county and municipal governing
16 bodies as required by paragraph (1), the plan shall be
17 submitted for referendum approval in a countywide election in
18 each county involved. The plan shall not take effect unless
19 approved by a majority of the electors of each county who
20 vote in the referendum and also by a majority of the electors
21 of the municipalities that represent a majority of the
22 municipal population of each county who vote in the
23 referendum. If approved by the electors as required by this
24 paragraph, the plan shall take effect on the date specified
25 in the plan.

26 Section 9. Effective date.

27 This act shall take effect immediately.