

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1860 Session of 2019

INTRODUCED BY LONGIETTI, NESBIT, HILL-EVANS, KENYATTA, YOUNGBLOOD, CIRESI, ZIMMERMAN, STAATS, MALAGARI, DeLUCA, BERNSTINE, KINSEY, FREEMAN, VITALI, NEILSON, HEFFLEY, KORTZ, MUSTELLO, DRISCOLL, MURT AND MIZGORSKI, SEPTEMBER 23, 2019

AS REPORTED FROM COMMITTEE ON URBAN AFFAIRS, HOUSE OF REPRESENTATIVES, AS AMENDED, NOVEMBER 21, 2019

AN ACT

1 Amending the act of May 24, 1945 (P.L.991, No.385), entitled "An
2 act to promote elimination of blighted areas and supply
3 sanitary housing in areas throughout the Commonwealth; by
4 declaring acquisition, sound replanning and redevelopment of
5 such areas to be for the promotion of health, safety,
6 convenience and welfare; creating public bodies corporate and
7 politic to be known as Redevelopment Authorities; authorizing
8 them to engage in the elimination of blighted areas and to
9 plan and contract with private, corporate or governmental
10 redevelopers for their redevelopment; providing for the
11 organization of such authorities; defining and providing for
12 the exercise of their powers and duties, including the
13 acquisition of property by purchase, gift or eminent domain;
14 the leasing and selling of property, including borrowing
15 money, issuing bonds and other obligations, and giving
16 security therefor; restricting the interest of members and
17 employes of authorities; providing for notice and hearing;
18 supplying certain mandatory provisions to be inserted in
19 contracts with redevelopers; prescribing the remedies of
20 obligees of redevelopment authorities; conferring certain
21 duties upon local planning commissions, the governing bodies
22 of cities and counties, and on certain State officers, boards
23 and departments," further providing for definitions, FOR <--
24 FORMATION OF AUTHORITIES, FOR DISSOLUTION OF CITY AUTHORITIES
25 AND FOR EMINENT DOMAIN; AND MAKING EDITORIAL CHANGES.

26 The General Assembly of the Commonwealth of Pennsylvania

27 hereby enacts as follows:

28 ~~Section 1. Section 3(c) of the act of May 24, 1945 (P.L.991, <--~~

1 ~~No.385), known as the Urban Redevelopment Law, is amended to~~
2 ~~read:~~

3 SECTION 1. SECTION 3(C), (E) AND (H) OF THE ACT OF MAY 24, <--
4 1945 (P.L.991, NO.385), KNOWN AS THE URBAN REDEVELOPMENT LAW,
5 ARE AMENDED TO READ:

6 Section 3. Definitions.--The following terms where used in
7 this act, shall have the following meanings, except where the
8 context clearly indicates a different meaning.

9 * * *

10 [(c) "City."--Any city of the first, second, second class A <--
11 or third class. The term shall also include any borough {with a <--
12 population large enough for the borough to qualify for a charter
13 as a city, separately from any town, township or other borough,
14 under section 201 of the act of June 23, 1931 (P.L.932, No.317),
15 known as "The Third Class City Code," for all purposes of this
16 act}. "The city" shall mean the particular city or such <--
17 {qualified} borough for which a particular Authority is <--
18 created.] <--

19 * * *

20 (E) "FIELD OF OPERATION."--THE AREA WITHIN THE TERRITORIAL <--
21 BOUNDARIES OF THE [CITY] MUNICIPALITY OR COUNTY FOR WHICH A
22 PARTICULAR AUTHORITY IS CREATED: PROVIDED, HOWEVER, THAT THE
23 FIELD OF OPERATION OF ANY COUNTY AUTHORITY SHALL NOT INCLUDE A
24 [CITY] MUNICIPALITY HAVING A REDEVELOPMENT AUTHORITY BUT MAY
25 INCLUDE, WITH THE CONSENT OF ANY SUCH [CITY] MUNICIPALITY,
26 PARCELS OF LAND WITHIN THE [CITY] MUNICIPALITY'S LIMITS WHICH
27 ARE NECESSARY TO THE CORPORATE PURPOSES OF THE COUNTY AUTHORITY
28 OR NECESSARY TO ITS SUCCESSFUL REDEVELOPMENT OF A REDEVELOPMENT
29 AREA: AND, PROVIDED FURTHER, THAT THE FIELD OF OPERATION OF ANY
30 AUTHORITY MAY INCLUDE PARCELS OF LAND OUTSIDE THE TERRITORIAL

1 BOUNDARIES OF THE [CITY] MUNICIPALITY OR COUNTY, AS THE CASE MAY
2 BE, WHICH ARE NECESSARY TO THE CORPORATE PURPOSES OF THE
3 AUTHORITY OR NECESSARY TO THE SUCCESSFUL REDEVELOPMENT OF A
4 REDEVELOPMENT AREA, WITH THE CONSENT OF THE GOVERNING BODY OF
5 THE [CITY OR] COUNTY [AND THE] OR MUNICIPALITY IN WHICH THE SAID
6 PARCELS ARE SITUATED, AS THE CASE MAY BE: PROVIDED, HOWEVER,
7 THAT THE FIELD OF OPERATION OF ANY AUTHORITY SHALL NOT INCLUDE
8 PARCELS OF LAND OUTSIDE THE TERRITORIAL BOUNDARIES OF A COUNTY
9 UNLESS ACQUISITION THEREOF HAS BEEN APPROVED BY A MAJORITY OF
10 THE ELECTORS VOTING IN A PRIMARY OR GENERAL ELECTION IN THE
11 MUNICIPALITY IN WHICH SAID PARCELS ARE SITUATED.

12 * * *

13 (H) "MUNICIPALITY."--ANY COUNTY, CITY, BOROUGH, INCORPORATED
14 TOWN OR TOWNSHIP.

15 * * *

16 SECTION 2. SECTIONS 4(A), (B) AND (C), 4.1, 4.2, 5, 8, 12
17 AND 19 OF THE ACT ARE AMENDED TO READ:

18 SECTION 4. FORMATION OF AUTHORITIES.--

19 (A) THERE ARE HEREBY CREATED SEPARATE AND DISTINCT BODIES
20 CORPORATE AND POLITIC, ONE FOR EACH [CITY] MUNICIPALITY AND ONE
21 FOR EACH COUNTY OF THE COMMONWEALTH, AS HEREIN DEFINED. EACH
22 SUCH BODY SHALL BE KNOWN AS THE REDEVELOPMENT AUTHORITY OF THE
23 [CITY] MUNICIPALITY OR THE COUNTY, AS THE CASE MAY BE, BUT SHALL
24 IN NO WAY BE DEEMED TO BE AN INSTRUMENTALITY OF SUCH [CITY]
25 MUNICIPALITY OR COUNTY, OR ENGAGED IN THE PERFORMANCE OF A
26 MUNICIPAL FUNCTION. EACH SUCH AUTHORITY SHALL TRANSACT NO
27 BUSINESS OR OTHERWISE BECOME OPERATIVE UNTIL AND UNLESS A
28 FINDING IS MADE AS HEREINAFTER PROVIDED IN THIS SECTION.

29 (B) AT ANY TIME AFTER PASSAGE OF THIS ACT THE GOVERNING BODY
30 OF ANY [CITY] MUNICIPALITY OR COUNTY MAY FIND AND DECLARE BY

1 PROPER ORDINANCE OR RESOLUTION THAT THERE IS NEED FOR AN
2 AUTHORITY TO FUNCTION WITHIN THE TERRITORIAL LIMITS OF SAID
3 [CITY] MUNICIPALITY OR COUNTY, AS THE CASE MAY BE.

4 (C) THE GOVERNING BODY SHALL CAUSE A CERTIFIED COPY OF SUCH
5 ORDINANCE OR RESOLUTION TO BE FILED WITH THE DEPARTMENT OF STATE
6 AND A DUPLICATE THEREOF WITH THE DEPARTMENT OF COMMUNITY
7 [AFFAIRS] AND ECONOMIC DEVELOPMENT; UPON RECEIPT OF THE SAID
8 CERTIFICATE THE SECRETARY OF THE COMMONWEALTH SHALL ISSUE A
9 CERTIFICATE OF INCORPORATION.

10 * * *

11 SECTION 4.1. DISSOLUTION OF [CITY] AUTHORITIES.--IF [A CITY]
12 AN AUTHORITY OF A MUNICIPALITY HAS NEVER ISSUED ANY BONDS, OR
13 INCURRED ANY OTHER DEBTS OR CONTRACTUAL OBLIGATIONS, OR HAS PAID
14 AND HAS BEEN RELEASED FROM AND DISCHARGED OF ALL DEBTS AND
15 BONDED, CONTRACTUAL AND OTHER OBLIGATIONS, THE GOVERNING BODY OF
16 THE [CITY] MUNICIPALITY MAY, AFTER THREE YEARS FROM THE DATE OF
17 THE CERTIFICATE DESCRIBED IN SUBSECTION (C) OF SECTION 4, OR
18 EARLIER IF A PROPER RESOLUTION OF THE AUTHORITY REQUESTS THE
19 ACTION HEREINAFTER DESCRIBED, FIND AND DECLARE BY PROPER
20 RESOLUTION THAT ITS FUNCTIONS CAN BE MORE PROPERLY CARRIED OUT
21 BY A COUNTY AUTHORITY AND THAT THERE IS NO LONGER ANY NEED FOR
22 THE AUTHORITY CREATED FOR [SUCH CITY] THE MUNICIPALITY TO
23 FUNCTION. IN SUCH CASE THE GOVERNING BODY SHALL ISSUE A
24 CERTIFICATE RECITING THE ADOPTION OF SUCH RESOLUTION, AND SHALL
25 CAUSE SUCH CERTIFICATE TO BE FILED WITH THE DEPARTMENT OF STATE
26 AND TWO DUPLICATES THEREOF WITH THE DEPARTMENT OF COMMUNITY
27 [AFFAIRS] AND ECONOMIC DEVELOPMENT. UPON SUCH FILING THE [CITY]
28 AUTHORITY SHALL CEASE TO FUNCTION, AND TITLE TO ANY ASSETS HELD
29 BY THE AUTHORITY AT THAT TIME SHALL PASS TO THE [CITY]
30 MUNICIPALITY. A COPY OF THE CERTIFICATE DESCRIBED IN THIS

1 SECTION SHALL BE ADMISSIBLE IN ANY SUIT, ACTION OR PROCEEDING
2 AND SHALL BE CONCLUSIVE PROOF THAT THE AUTHORITY HAS CEASED TO
3 BE IN EXISTENCE.

4 SECTION 4.2. DISSOLUTION OF COUNTY AUTHORITIES.--IF A COUNTY
5 AUTHORITY HAS NEVER ISSUED ANY BONDS, OR INCURRED ANY OTHER
6 DEBTS OR CONTRACTUAL OBLIGATIONS, OR HAS PAID AND HAS BEEN
7 RELEASED FROM AND DISCHARGED OF ALL DEBTS AND BONDED,
8 CONTRACTUAL AND OTHER OBLIGATIONS, THE GOVERNING BODY OF THE
9 COUNTY MAY, AFTER THREE YEARS FROM THE DATE OF THE CERTIFICATE
10 DESCRIBED IN SUBSECTION (C) OF SECTION 4, OR EARLIER IF A PROPER
11 RESOLUTION OF THE AUTHORITY REQUESTS THE ACTION HEREINAFTER
12 DESCRIBED, FIND AND DECLARE BY PROPER RESOLUTION THAT THERE IS
13 NO LONGER ANY NEED FOR THE AUTHORITY CREATED FOR SUCH COUNTY TO
14 FUNCTION. IN SUCH CASE THE GOVERNING BODY SHALL ISSUE A
15 CERTIFICATE RECITING THE ADOPTION OF SUCH RESOLUTION, AND SHALL
16 CAUSE SUCH CERTIFICATE TO BE FILED WITH THE DEPARTMENT OF STATE
17 AND TWO DUPLICATES THEREOF WITH THE DEPARTMENT OF COMMUNITY
18 [AFFAIRS] AND ECONOMIC DEVELOPMENT. UPON SUCH FILING THE COUNTY
19 AUTHORITY SHALL CEASE TO FUNCTION, AND TITLE TO ANY ASSETS HELD
20 BY THE AUTHORITY AT THAT TIME SHALL PASS TO THE COUNTY. A COPY
21 OF THE CERTIFICATE DESCRIBED IN THIS SECTION SHALL BE ADMISSIBLE
22 IN ANY SUIT, ACTION OR PROCEEDING AND SHALL BE CONCLUSIVE PROOF
23 THAT THE AUTHORITY HAS CEASED TO BE IN EXISTENCE.

24 SECTION 5. APPOINTMENT AND QUALIFICATIONS OF MEMBERS OF
25 AUTHORITY.--UPON CERTIFICATION OF A RESOLUTION DECLARING THE
26 NEED FOR AN AUTHORITY TO OPERATE IN A [CITY] MUNICIPALITY OR
27 COUNTY, [THE MAYOR OR BOARD OF COUNTY COMMISSIONERS THEREOF,
28 RESPECTIVELY,] THE GOVERNING BODY SHALL APPOINT, AS MEMBERS OF
29 THE AUTHORITY, FIVE CITIZENS WHO, EXCEPT IN THE CASE OF CITIES
30 OF THE THIRD CLASS, SHALL BE RESIDENTS OF THE [CITY]

1 MUNICIPALITY OR COUNTY IN WHICH THE AUTHORITY IS TO OPERATE. IN
2 THE CASE OF A CITY OF THE THIRD CLASS, A MAJORITY OF THE MEMBERS
3 OF THE AUTHORITY SHALL BE RESIDENTS OF THE CITY, AND THE
4 REMAINDER MAY BE NONRESIDENTS WHO OWN AND OPERATE BUSINESSES IN
5 THE CITY IN WHICH THE AUTHORITY IS TO OPERATE.

6 SECTION 8. INTEREST OF MEMBERS OR EMPLOYES.--NO MEMBER OR
7 EMPLOYE OF AN AUTHORITY SHALL ACQUIRE ANY INTEREST, DIRECT OR
8 INDIRECT, IN ANY REDEVELOPMENT PROJECT OR IN ANY PROPERTY
9 INCLUDED OR PLANNED TO BE INCLUDED IN ANY REDEVELOPMENT AREA, OR
10 IN ANY AREA WHICH HE MAY HAVE REASON TO BELIEVE MAY BE CERTIFIED
11 TO BE A REDEVELOPMENT AREA, NOR SHALL HE HAVE ANY INTEREST,
12 DIRECT OR INDIRECT, IN ANY CONTRACT OR PROPOSED CONTRACT FOR
13 MATERIALS OR SERVICES TO BE FURNISHED OR USED BY AN AUTHORITY,
14 OR IN ANY CONTRACT WITH A REDEVELOPER OR PROSPECTIVE REDEVELOPER
15 RELATING, DIRECTLY OR INDIRECTLY, TO ANY REDEVELOPMENT PROJECT.
16 THE ACQUISITION OF ANY SUCH INTEREST IN A REDEVELOPMENT PROJECT
17 OR IN ANY SUCH PROPERTY OR CONTRACT SHALL CONSTITUTE MISCONDUCT
18 IN OFFICE. IF ANY MEMBER OR EMPLOYE OF AN AUTHORITY SHALL
19 ALREADY OWN OR CONTROL ANY INTEREST, DIRECT OR INDIRECT, IN ANY
20 PROPERTY LATER INCLUDED OR PLANNED TO BE INCLUDED IN ANY
21 REDEVELOPMENT PROJECT UNDER THE JURISDICTION OF THE AUTHORITY,
22 OR HAS ANY SUCH INTEREST IN ANY CONTRACT FOR MATERIAL OR
23 SERVICES TO BE FURNISHED OR USED IN CONNECTION WITH ANY
24 REDEVELOPMENT PROJECT, HE SHALL DISCLOSE THE SAME IN WRITING TO
25 THE AUTHORITY AND TO THE DEPARTMENT OF COMMUNITY [AFFAIRS] AND
26 ECONOMIC DEVELOPMENT AND THE LOCAL GOVERNING BODY, AND SUCH
27 DISCLOSURE SHALL BE ENTERED IN WRITING UPON THE MINUTE BOOKS OF
28 THE AUTHORITY. FAILURE TO MAKE SUCH DISCLOSURE SHALL CONSTITUTE
29 MISCONDUCT IN OFFICE.

30 SECTION 12. EMINENT DOMAIN.--TITLE TO ANY PROPERTY ACQUIRED

1 BY AN AUTHORITY THROUGH EMINENT DOMAIN SHALL BE AN ABSOLUTE OR
2 FEE SIMPLE TITLE, UNLESS A LESSER TITLE SHALL BE DESIGNATED IN
3 THE EMINENT DOMAIN PROCEEDINGS. THE AUTHORITY MAY EXERCISE THE
4 RIGHT OF EMINENT DOMAIN IN THE MANNER PROVIDED BY LAW FOR THE
5 EXERCISE OF SUCH RIGHT BY [CITIES] MUNICIPALITIES OR COUNTIES,
6 AS THE CASE MAY BE, OF THE SAME CLASS AS THE [CITY] MUNICIPALITY
7 OR COUNTY IN WHICH SUCH AUTHORITY IS ORGANIZED TO OPERATE. IF
8 ANY OF THE REAL PROPERTY IN THE REDEVELOPMENT AREA WHICH IS TO
9 BE ACQUIRED HAS, PRIOR TO SUCH ACQUISITION, BEEN DEVOTED TO
10 ANOTHER PUBLIC USE, IT MAY, NEVERTHELESS, BE ACQUIRED BY
11 CONDEMNATION: PROVIDED, THAT NO REAL PROPERTY BELONGING TO A
12 [CITY] MUNICIPALITY, COUNTY OR TO THE COMMONWEALTH MAY BE
13 ACQUIRED WITHOUT ITS CONSENT. NO REAL PROPERTY BELONGING TO A
14 PUBLIC UTILITY CORPORATION MAY BE ACQUIRED WITHOUT THE APPROVAL
15 OF THE PUBLIC UTILITY COMMISSION.

16 SECTION 19. RECORDS AND REPORTS.--

17 (A) THE BOOKS AND RECORDS OF AN AUTHORITY SHALL AT ALL TIMES
18 BE OPEN AND SUBJECT TO INSPECTION BY THE DEPARTMENT OF COMMUNITY
19 [AFFAIRS] AND ECONOMIC DEVELOPMENT;

20 (B) AN AUTHORITY MAY FILE WITH THE DEPARTMENT OF COMMUNITY
21 [AFFAIRS] AND ECONOMIC DEVELOPMENT SUCH INFORMATION AND REPORTS
22 AS IT MAY FROM TIME TO TIME DEEM DESIRABLE, AND SHALL FILE WITH
23 THEM;

24 (1) A COPY OF ALL BY-LAWS AND RULES AND REGULATIONS AND
25 AMENDMENTS THERETO, ADOPTED BY IT, FROM TIME TO TIME.

26 (2) COPIES OF ALL REDEVELOPMENT PROPOSALS AND REDEVELOPMENT
27 CONTRACTS, AS WELL AS OF ANY CHANGES, WHICH MAY BE MADE THEREIN.

28 (3) AT LEAST ONCE EACH YEAR A REPORT OF ITS ACTIVITIES FOR
29 THE PRECEDING YEAR, AND SUCH OTHER REPORTS AS SAID DEPARTMENT
30 MAY REQUIRE. COPIES OF SUCH REPORTS SHALL BE FILED WITH THE

1 [MAYOR AND] GOVERNING BODY OF THE [CITY] MUNICIPALITY OR WITH
2 THE COUNTY BOARD OF COMMISSIONERS, AS THE CASE MAY BE.

3 Section 2 3. This act shall take effect in 60 days.

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