

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 797 Session of 2021

INTRODUCED BY ROBINSON, ARGALL, SCAVELLO, GORDNER, YUDICHAK, STEFANO, MENSCH AND BOSCOLA, JUNE 24, 2021

AS AMENDED ON THIRD CONSIDERATION, APRIL 5, 2022

AN ACT

1 Amending the act of December 20, 2000 (P.L.949, No.130),
2 entitled "An act establishing Neighborhood Improvement
3 Districts; conferring powers and duties on municipal
4 corporations and neighborhood improvement districts;
5 providing for annual audits; and making repeals," further
6 providing for definitions, for creation of neighborhood
7 improvement district and for powers of neighborhood
8 improvement district management association.

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 Section 1. The definitions of "municipality," "neighborhood
12 improvement district" and "neighborhood improvement district
13 services" in section 3 of the act of December 20, 2000 (P.L.949,
14 No.130), known as the Neighborhood Improvement District Act, are
15 amended to read:

16 Section 3. Definitions.

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

20 * * *

21 "Municipality." With the exception of cities of the first

1 class, any county of the second class, city, borough,
2 incorporated town, township, home rule, optional plan or
3 optional charter municipality located within this Commonwealth.

4 * * *

5 "Neighborhood improvement district." A limited geographic
6 area within a municipality, in which a special assessment is
7 levied on all designated property, other than tax-exempt
8 property, for the purpose of promoting the economic and general
9 welfare of the district and the municipality, hereinafter
10 referred to as NID. Such districts shall be referred to
11 generally as neighborhood improvement district (NID) and
12 specifically as business improvement district (BID), residential
13 improvement district (RID), industrial improvement district
14 (IID), institutional improvement district (INID) or mixed-use
15 improvement district (MID), depending on the type district
16 established. [A designated property may not be included in more
17 than one neighborhood improvement district.]

18 * * *

19 "Neighborhood improvement district services." In the case of
20 neighborhood improvement district management associations
21 created for the purpose of making improvements or providing
22 expanded services within any neighborhood business improvement
23 districts established, the term shall include, but not be
24 limited to, those services which improve the ability of the
25 commercial establishments within the district to serve the
26 consumer, such as free or reduced-fee parking for customers,
27 transportation-related expenses, public relations programs,
28 group advertising, sponsorship of special events and district
29 maintenance and security services. For services provided within
30 any residential, industrial, institutional or mixed-use

1 neighborhood improvement district, the term shall include, but
2 not be limited to, those services which improve the ability of
3 property owners to enjoy a safer and more attractive
4 neighborhood through the provision of increased or expanded
5 services, including street lighting, street cleaning, street
6 maintenance, parks, recreational equipment and facilities, open
7 space and/or security services.

8 * * *

9 Section 2. Section 5(b), (c)(1) and (3)(vii), (d), (f)(2)
10 and (g)(1) and (3) OF THE ACT are amended and the section is <--
11 amended by adding a subsection to read:

12 Section 5. Creation of neighborhood improvement district.

13 * * *

14 (b) Specific procedures.--

15 (1) A copy of everything required under this section, as
16 well as the date, location and time of any public hearing
17 required by this act, shall be provided by the municipal
18 corporation to all benefited property owners and lessees of
19 benefited property owners located in the proposed NID at
20 least 30 days prior to the first public hearing required by
21 this section.

22 (2) At least one public hearing, no earlier than 15 days
23 apart, for the purpose of receiving public comment from
24 [affected] benefited property owners within the proposed NID,
25 on the proposed NIDP, shall be held by the municipality
26 before the establishment of an NID. Notice of the hearing
27 shall be in accordance with paragraph (1) and advertised at
28 least ten days prior thereto in a newspaper of general
29 circulation in the municipality.

30 (3) Any objections by property owners within the

1 proposed NID must be made in writing by persons representing
2 the ownership of 40%, in numbers, of the benefited properties
3 within the NID. Objections must be signed by the property
4 owner, identify the address of any benefited property for
5 which objection is being made and filed in the office of the
6 clerk for the governing body of the municipality in which the
7 NID is proposed.

8 (c) Contents of preliminary plan.--The plan shall include
9 the following:

10 (1) A map indicating the boundaries, by street, of the
11 proposed NID[; however, a designated property may not be
12 included in more than one NID].

13 * * *

14 (3) In addition, the plan shall also:

15 * * *

16 (vii) Provide that a negative vote of at least 40%
17 of the benefited property owners within the NID proposed
18 in the final plan shall be required to defeat the
19 establishment of the proposed NID by filing objections
20 with the clerk for the governing body of the municipality
21 within 45 days of presentation of the final plan where
22 the governing body of municipality is inclined to
23 establish the NID.

24 (d) Final plan.--Prior to the establishment of an NID, the
25 municipality shall submit a revised final plan to benefited
26 property owners located within the proposed NID which
27 incorporates changes made to the plan based on comments from
28 affected property owners within the NID provided at the public
29 hearings or at some other time. Changes to the final plan which
30 differ from the preliminary plan shall also be so indicated in

1 an easily discernible method for the reader, including, but not
2 limited to, changes being in boldfaced or italicized type.

3 * * *

4 (f) Veto of final plan for NID.--

5 * * *

6 (2) If 40% or more of the [affected] benefited property
7 owners within the proposed NID fail to register their
8 disapproval of the final plan or amendment to the final plan
9 in writing with the clerk of the governing body of the
10 municipality in which the NID is proposed, the governing body
11 of the municipality may, following the 45-day period, enact a
12 municipal ordinance establishing an NID under this act or, in
13 the case of an amendment to the final plan, adopt any
14 amendments to the ordinance.

15 (g) Amendments to final plan.--

16 (1) The final plan may be amended by the NIDMA any time
17 after the establishment of an NID, pursuant to the provisions
18 of this act, upon the recommendation of the NIDMA board,
19 provided [there is concurrence with 60% of the property
20 owners within the NID.] the NIDMA board notifies in writing
21 benefited property owners of any amendment and the property
22 owners' right to file objections to the amendment with the
23 clerk of the governing body of the municipality. If, within
24 45 days of notification, property owners representing the
25 ownership of 40% or more of the benefited properties within
26 the NID disapprove the amendment, the plan shall not be
27 amended.

28 * * *

29 (3) The municipality shall provide public notice of the
30 hearing for any amendments requiring approval of the

1 governing body by publication of a notice in at least one
2 newspaper having a general circulation in the NID specifying
3 the time and the place of such hearing and the amendments to
4 be considered. This notice shall be published once at least
5 10 days prior to the date of the hearing.

6 * * *

7 (h) Deposit of revenue.--For a neighborhood improvement
8 district created in a municipality that is a county of the
9 second class, or a home rule municipality that was formerly a
10 county of the second class, the municipal corporation shall
11 include in the enabling ordinance a requirement that a
12 percentage of the gross revenues generated by the neighborhood
13 improvement district be transferred to a restricted receipts
14 account of an authority created under Article XXV-A of the act
15 of July 28, 1953 (P.L.723, No.230), known as the Second Class
16 County Code, to be used by the authority exclusively for the
17 purpose of maintaining facilities that the authority owns. This
18 subsection shall apply to a neighborhood improvement district
19 implemented by a county of the second class, or a home rule
20 municipality that was formerly the county of the second class,
21 where the benefited properties are in large part PRIMARILY <--
22 hotels, as that term is defined under section 1770.12(h) of the
23 act of August 9, 1955 (P.L.323, No.130), known as The County
24 Code.

25 Section 3. Section 7(a)(8)(i) of the act is amended to read:

26 Section 7. Powers of neighborhood improvement district
27 management association.

28 (a) General powers.--An NIDMA shall have, in addition to any
29 other powers provided pursuant to the act of May 2, 1945
30 (P.L.382, No.164), known as the Municipality Authorities Act of

1 1945, where the NIDMA is an authority, or in addition to any
2 other powers provided pursuant to the charter establishing a
3 nonprofit development corporation or other nonprofit
4 corporation, where the NIDMA is a nonprofit development
5 corporation or other nonprofit corporation, the power to:

6 * * *

7 (8) Appropriate and expend NID funds which would include
8 any Federal, State or municipal funds received by the NIDMA.
9 The funds shall be expended in accordance with any specific
10 provisions contained in the municipal enabling ordinance
11 establishing the NID and may be used:

12 (i) To acquire by purchase or lease real or personal
13 property to effectuate the purposes of this act,
14 including making common improvements within the NID,
15 including, but not limited to, sidewalks, retaining
16 walls, street paving, parks, recreational equipment and
17 facilities, event facilities, open space, street
18 lighting, parking lots, parking garages, trees and
19 shrubbery, pedestrian walks, sewers, water lines, rest
20 areas and the acquisition, rehabilitation or demolition
21 of blighted buildings or comparable structures.

22 * * *

23 Section 4. This act shall take effect in 60 days.