

## No. 164

## AN ACT

## SB 1246

Amending the act of November 30, 1967 (P.L.658, No.305), entitled "An act authorizing townships, boroughs, cities of the second class A and cities of the third class to designate business improvement districts, create bonded indebtedness to acquire and finance improvements in such districts, and assess and collect special ad valorem assessments from benefited properties in such districts," further providing for public hearings and notice thereof and issuance of bonds, notes and guarantees, defining cost of improvement, appropriations and incurring of indebtedness and extending the provisions of the act to cities of the first class.

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

Section 1. The title, act of November 30, 1967 (P.L.658, No.305), known as the "Business Improvement District Act of 1967," is amended to read:

## AN ACT

Authorizing townships, boroughs, *cities of the first class*, cities of the second class A and cities of the third class to designate business improvement districts, create bonded *or other evidences of* indebtedness to acquire and finance improvements in such districts, and assess and collect special ad valorem assessments from benefited properties in such districts.

Section 2. Sections 2, 3 and 4, clause (b) of section 2 and sections 3 and 4, amended April 3, 1969 (P.L.27, No.8), are amended to read:

Section 2. Powers of Governing Body.—The governing body of every township, borough, *city of the first class*, city of the second class A and city of the third class shall have the power:

(a) To establish within the political subdivision an area or areas designated as a business improvement district which district or districts may be designated as all or part of any sector of a community which is zoned commercial or which is used for general commercial purposes.

(b) To appropriate and expend such amounts as may be necessary for preliminary planning or feasibility studies to determine needed improvements in such districts and to recommend improvement to individual properties and to provide where required basic design criteria. Public hearings, shall be required before passage of the enabling ordinance. ***At such public hearings any interested party may be heard. Notice of such hearings shall be advertised at least ten days prior thereto in a newspaper circulating in such political subdivisions.*** Said ordinance shall specify improvements, with respective costs, to be undertaken. ***"Costs of any improvement," or "total cost of improvements" as used in this act shall include but not be limited to the improvements themselves, engineering, architectural, attorney or other consulting fees,***

*preliminary planning, feasibility studies, financing costs and all other costs necessary and incidental to the completion of the improvement or improvements.* Said ordinance shall not become effective if before the expiration of twenty days after its enactment, property owners of the proposed district whose property valuation as assessed for taxable purposes shall amount to more than fifty per cent of the total property valuation of the district, shall sign and file, in the office of the prothonotary of the court of common pleas of the county in which the district is located, a written protest against said ordinance.

(c) To appropriate and expend *in accordance with the specific provisions of the enabling ordinance* such amounts as may be required to acquire by purchase or lease, real or personal property to effectuate the purposes of the improvement district including but not limited to sidewalks, retaining walls, street paving, street lighting, parking lots, parking garages, trees and shrubbery purchased and planted, pedestrian walks, sewers, water lines, rest areas, acquisition and remodeling or demolition of blighted buildings and similar or comparable structures. In no case shall improvement be made to property which has not been acquired.

(d) To acquire by gift, purchase or eminent domain, land, real property or right of ways which may be needed for the purposes of the projected improvements within the district.

(e) To issue bonds *notes or guarantees* in accordance with the provisions *of general laws authorizing borrowing by cities of the first class or in accordance with the provisions* of the act of [June 25, 1941 (P.L.159, No.87), known as the "Municipal Borrowing Law"] July 12, 1972 (P.L.781, No.185), known as the "Local Government Unit Debt Act," *whichever is applicable* in such amounts and for such periods as may be necessary to finance the projected improvements for any district.

Section 3. Assessment Authorized.—The governing body is hereby authorized to impose an assessment on each benefited property within a business improvement district which shall be determined by the total cost of the improvements in such district [including preliminary planning, feasibility studies and financing costs] *as defined in section 2<sup>1</sup>* but not in excess of the amount legally assessable.

Section 4. Method of Assessment.—The total cost of the improvements in such district shall be assessed to all of the benefited properties in the district by either of the following methods:

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

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<sup>1</sup>"3" in original.

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

The governing body may by ordinance authorize the payment of such assessment in equal annual, or more frequent installments over such time and bearing interest at such rate not in excess of six per cent as may be specified in said ordinance provided that where bonds shall have been issued and sold, *or notes or guarantees given or issued*, to provide for the cost of the improvements such assessment in equal installments shall not be payable beyond the term for which such bonds, *notes or guarantees* are payable.

Claims to secure the assessments shall be entered in the prothonotary's office of the county at the same time and in the form and shall be collected in the same manner as municipal claims are filed and collected notwithstanding the provisions of this section as to installment payments.

In the case of default in the payment of any installment and interest for a period of sixty days after the same shall become due, the entire assessment and accrued interest shall become due.

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

Section 3. This act shall take effect immediately.

APPROVED—The 18th day of July, A. D. 1974.

MILTON J. SHAPP

The foregoing is a true and correct copy of Act of the General Assembly No. 164.

A handwritten signature in cursive script, reading "C. McLaughlin Tucker".

*Secretary of the Commonwealth.*