

No. 1989-78

AN ACT

HB 268

Amending the act of November 30, 1967 (P.L.658, No.305), entitled, as amended, "An act authorizing municipal corporations 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 assessments from benefited properties in such districts," authorizing cities of the second class to finance services within business improvement districts.

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

Section 1. The title of the act of November 30, 1967 (P.L.658, No.305), known as the Business Improvement District Act of 1967, amended July 9, 1976 (P.L.566, No.137), is amended to read:

AN ACT

Authorizing municipal corporations to designate business improvement districts, create bonded or other evidences of indebtedness to acquire and finance *business administrative services and business* improvements in such districts, and assess and collect special assessments from *certain* benefited properties in such districts.

Section 2. The act is amended by adding a section to read:

Section 2.1. Administrative Services Provided by Cities of the Second Class.—*In addition to the powers of the governing body established in section 2 or in any other section of this act, cities of the second class shall have the power to provide administrative services, that is, those services which improve the ability of the commercial establishments of the district to serve the consumer, including, but not limited to, free or reduced fee parking for customers, transportation repayments, public relations programs, group advertising, and district maintenance and security services.*

Section 3. Section 4 of the act, amended July 9, 1976 (P.L.566, No.137), is amended to read:

Section 4. Method of Assessment.—(a) The total cost of the *administrative services or* improvements in such district shall be assessed to all of the benefited properties in the district by either of the following methods:

(1) By an assessment determined by multiplying the total *service and* 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.

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

(3) **[By]** *In the case of improvements, by* an assessment upon the several properties in the district abutting on the improvements *or benefiting from the services*, or, where more than one type of improvement *or service* is

involved, designated types thereof, by the front-foot method, with such equitable adjustments for corner properties and other cases as may be provided for in the assessment ordinance. Any property which cannot be equitably assessed by the front-foot method may be assessed by the method provided in clause (2).

(b) 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 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 *services and* improvements such assessment in equal installments shall not be payable beyond the term for which such bonds, notes or guarantees are payable.

(c) 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 except that, where installment payments are authorized, pursuant to subsection (b), the ordinance may contain any or all of the following provisions:

(1) Notwithstanding the filing of such claims, all assessments which are made payable in installments shall constitute liens and encumbrances upon the respective benefited properties, at the beginning of each calendar year, except as provided in clause (2), only in an amount equal to the sum of (i) the annual, or other, installments becoming payable in such year, with interest and penalties, if any, thereon, and (ii) the total of all installments, with interest and penalties thereon, which became due during prior years and which remain due and unpaid at the beginning of the current year.

(2) In the case of default in the payment of any installment and interest for a period of ninety days after the same shall become due, the assessment ordinance may provide either for the entire assessment with accrued interest and penalties to become due and become a lien from the due date of the installment, or may provide solely for the enforcement of the claim as to the overdue installment (with interest and penalties) in which case the ordinance shall further provide that if any installment or portion thereof shall remain due and unpaid for one year after it has become due and payable, then the entire assessment with accrued interest and penalties shall become due and become a lien from the due date of the installment.

(3) No action taken to enforce a claim for any installment or installments shall affect the status of any subsequent installment of the same assessment, each of which shall continue to become a lien upon the property annually pursuant to clause (1).

(4) The ordinance may contain any other provision relating to installment assessments which is not inconsistent with applicable law.

(d) 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 or installments then constituting a lien, and also release the claim to any later installments.

(e) No residential property shall be assessed under this act for any benefit received from administrative services.

(f) Any reference in this act to services shall mean only those services provided by a city of the second class.

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

APPROVED—The 20th day of December, A. D. 1989.

ROBERT P. CASEY