

No. 1978-89

## AN ACT

HB 1743

Amending the act of February 1, 1966 (1965, P.L.1656, No.581), entitled, "An act concerning boroughs, and revising, amending and consolidating the law relating to boroughs," authorizing boroughs to sell borough-owned land to non-profit medical corporations and non-profit housing corporations.

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

Section 1. Clause (4) of section 1201, act of February 1, 1966 (1965, P.L.1656, No.581), known as "The Borough Code," amended October 25, 1973 (P.L.308, No.96) and December 30, 1974 (P.L.1033, No.336), is amended to read:

Section 1201. General Powers.—A borough may:

\* \* \*

(4) Purchase, acquire by gift, or otherwise, hold, lease, let and convey, by sale or lease, such real and personal property as shall be deemed to be to the best interest of the borough: Provided, That no real estate owned by the borough shall be sold for a consideration in excess of fifteen hundred dollars (\$1500), except to the highest bidder after due notice by advertisement for bids in one newspaper of general circulation in the borough. Such advertisement shall be published once not less than ten days prior to the date fixed for the opening of bids, and such date for opening bids shall be announced in such advertisement. The acceptance of bids shall be made only by public announcement at a regular or special meeting of council. All bids shall be accepted on the condition that payment of the purchase price in full shall be made within sixty days of the acceptance of bids. Real estate owned by a borough may be sold at a consideration of fifteen hundred dollars (\$1500) or less without advertisement or competitive bidding only after council estimates the value thereof upon receipt of an appraisal by a qualified real estate appraiser.

Except as otherwise hereinafter provided in the case of personal property of an estimated sale value of less than two hundred dollars (\$200), no borough personal property shall be disposed of, by sale or otherwise, except upon approval of council, by ordinance or resolution. In cases where council shall approve a sale of such property, it shall estimate the sale value of the entire lot to be disposed of. If council shall estimate the sale value to be two hundred dollars (\$200) or more, the entire lot shall be advertised for sale once, in at least one newspaper of general circulation in the borough, not less than ten days prior to the date fixed for the opening of bids, and such date of opening of bids shall be announced in such advertisement, and sale of the property so advertised shall be made to the best responsible bidder. Council shall have authority, by resolution, to adopt a procedure for the sale of surplus personal property of an estimated

sale value of less than two hundred dollars (\$200) and the approval of council shall not be required for any individual sale that shall be made in conformity to such procedure.

The provisions of this clause shall not be mandatory where borough property is to be traded in or exchanged for new borough property.

The provisions of this clause requiring advertising for bids and sale to the highest bidder shall not apply where borough real or personal property is to be sold to a county, city, borough, town, township, institution district, school district, or municipal authority pursuant to the Municipality Authorities Act of 1945, is to be sold to a non-profit corporation engaged in community industrial development or where real property is to be sold to a person for his exclusive use in an industrial development program or where real property is to be sold to a non-profit corporation organized as a public library for its exclusive use as a library, *or where real property is to be sold to a non-profit medical service corporation as authorized by clause (76) of section 1202 or where real property is to be sold to a non-profit housing corporation as authorized by clause (77) of section 1202.* When real property is to be sold to a non-profit corporation organized as a public library for its exclusive use as a library *or to a non-profit medical service corporation or to a non-profit housing corporation*, council may elect to accept such nominal consideration for such sale as it shall deem appropriate. *Real property sold pursuant to this clause to a non-profit medical service corporation or to a non-profit housing corporation shall be subject to the condition that when the property is not used for the purposes of the corporation the property shall revert to the borough.*

\* \* \*

Section 2. Section 1202 of the act is amended by adding clauses to read:

Section 1202. Specific Powers.—The powers of the borough shall be vested in the corporate authorities. Among the specific powers of the borough shall be the following, and in the exercise of any of such powers involving the enactment of any ordinance or the making of any regulation, restriction or prohibition, the borough may provide for the enforcement thereof and may prescribe penalties for the violation thereof or for the failure to conform thereto:

\* \* \*

*(76) Sale of real property to non-profit medical service corporation. To sell borough-owned real property to a non-profit medical service corporation for its exclusive use as a site for a medical service facility.*

*(77) Sale of real property to non-profit housing corporation. To sell borough-owned real property to a non-profit housing corporation for its exclusive use for housing for the elderly.*

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

APPROVED—The 23rd day of June, A. D. 1978.

MILTON J. SHAPP