

No. 2017-76

AN ACT

SB 252

Amending Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, in parking authorities, providing for granting of interests and mixed-use projects for authorities in cities of the second class.

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

Section 1. Title 53 of the Pennsylvania Consolidated Statutes is amended by adding a section to read:

**§ 5508.4. *Granting of interests and mixed-use projects for authorities in cities of the second class.***

**(a) *Findings and declaration.*—The General Assembly finds and declares as follows:**

**(1) *The health, safety and general welfare of the people of this Commonwealth are directly dependent upon the continual encouragement, development, growth and expansion of business, industry, commerce and tourism.***

**(2) *Unemployment, the spread of poverty and the heavy burden of public assistance and unemployment compensation can be avoided by the promotion, attraction, stimulation, development and expansion of business, industry, commerce and tourism in this Commonwealth through the support of commercial and residential real estate development by parking authorities in cities of the second class.***

**(3) *Due to the size, total population and population density of a city of the second class, it can be inefficient to devote property within a city of the second class solely to parking facilities for purely public use on a first-come, first-served basis, and that empowering the authority of a city of the second class to grant private interests in parking facilities to support commercial and residential real estate development and develop, operate or participate in mixed-use projects can be an important factor in the continual encouragement, development, attraction, stimulation, growth and expansion of business, industry, commerce and tourism within a city of the second class, the surrounding counties and this Commonwealth as a whole.***

**(b) *Powers.*—Notwithstanding any other provision of law, including this chapter, and any provision of an authority's articles of incorporation, and without limiting the powers in section 5505 (relating to purposes and powers), an authority in a city of the second class shall have the power to do the following:**

**(1) *Grant an interest, such as a lease, license or easement, in and to all or a portion of land, buildings and structures for dedicated parking to support commercial or residential uses, if the following apply:***

**(i) *In the good faith opinion of the board, the following apply:***

**(A) *The grant of the interest will not negatively impact the financial standing of the authority.***

*(B) The consideration for the grant of the interest is appropriate considering the overall transaction.*

*(ii) The term of the interest does not extend beyond the term of existence of the authority.*

*The grant of the interest is not permissible where the average occupancy rate of parking spaces for the prior six calendar months has exceeded 90% for that particular facility.*

*(2) Develop, operate or participate in the development or operation of one or more mixed-use projects.*

*(3) Finance mixed-use projects by incurring indebtedness, whether by borrowing money, making and issuing notes, bonds or other debt instruments or entering into financing transactions, which may be evidenced and secured by agreements that contain provisions as determined by the authority for the security or protection of the authority or the authority's bondholders. An authority may pledge, hypothecate or encumber all or a part of the authority's revenues or real or personal property, constituting all or part of a mixed-use project for an obligation of the authority incurred in connection with the development or operation of, or participation in, a mixed-use project.*

*(c) Definition.—As used in this section, the term "mixed-use project" means a commercial, industrial, residential or retail development that includes a public parking garage or public parking lot as an appurtenance.*

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

APPROVED—The 22nd day of December, A.D. 2017

TOM WOLF