
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2421 Session of
2015

INTRODUCED BY D. COSTA, OCTOBER 19, 2016

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, OCTOBER 19, 2016

AN ACT

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

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

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

9 § 5508.4. Granting of interests and mixed-use projects for
10 authorities in cities of the second class.

11 (a) Findings and declaration.--The General Assembly finds
12 and declares that:

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

17 (2) Unemployment, the spread of poverty and the heavy
18 burden of public assistance and unemployment compensation can
19 be avoided by the promotion, attraction, stimulation,

1 development and expansion of business, industry, commerce and
2 tourism in this Commonwealth through the support of
3 commercial and residential real estate development by parking
4 authorities in cities of the second class.

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

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

24 (1) As follows:

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

29 (A) In the good faith opinion of the board, the
30 following apply:

1 (I) The grant of the interest will not
2 negatively impact the financial standing of the
3 authority.

4 (II) The consideration for the grant of the
5 interest is appropriate considering the overall
6 transaction.

7 (B) The term of the interest does not extend
8 beyond the term of existence of the authority.

9 (ii) The grant of the interest is not permissible
10 where the average occupancy rate of parking spaces for
11 the prior six calendar months has exceeded 90% for that
12 particular facility.

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

15 (3) Finance mixed-use projects by incurring
16 indebtedness, whether by borrowing money, making and issuing
17 notes, bonds or other debt instruments or entering into
18 financing transactions, which may be evidenced by and secured
19 as may be provided in agreements that may contain provisions
20 as determined by the authority for the security or protection
21 of the authority or the authority's bondholders. An authority
22 may pledge, hypothecate or encumber all or a part of the
23 authority's revenues or real or personal property,
24 constituting all or part of a mixed-use project for all or
25 any of the obligations of the authority incurred in
26 connection with the development or operation of, or
27 participation in, a mixed-use project.

28 (c) Definition.--As used in this section, the term "mixed-
29 use project" means a commercial, industrial, residential or
30 retail development that includes a public parking garage or

1 public parking lot as an appurtenance.

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