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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 606 Session of  
2017

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INTRODUCED BY D. COSTA, NEILSON, BARBIN, DAVIS, SACCONI,  
CALTAGIRONE, MILLARD, A. HARRIS, READSHAW, DeLUCA, DEASY AND  
KORTZ, FEBRUARY 24, 2017

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REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, FEBRUARY 24, 2017

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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

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

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

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

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

29 (i) In the good faith opinion of the board:

30 (A) The grant of the interest will not

1 negatively impact the financial standing of the  
2 authority.

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

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

8 (iii) The average occupancy rate of parking spaces  
9 for the prior six calendar months does not exceed 90% for  
10 that particular facility.

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

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

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

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