

Allegheny County Council

*County of Allegheny
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Committee Meeting Minutes

Tuesday, October 27, 2009

5:00 PM

Conference Room 1

Committee on Economic Development & Housing

Mike Finnerty, Chair; Jim Burn, Joan Cleary, John DeFazio, Matt Drozd, Nick Futules, Amanda Green, Bob Macey, and Jan Rea - Members

I. Call to Order

Summary: *The meeting was called to order at 5:12.*

Invited Guests:

Jim Flynn, County Manager or Designee

Dennis Davin, Director, Economic Development or Designee

Summary: *Invited Guests Present: Deputy County Manager Derek Uber and Director Dennis Davin and Gary Wilson from Langholz Wilson Ellis.*

Council Staff Present: Jared Barker, Joe Catanese and Jennifer Liptak

II. Roll Call

Roll Call: Present: Matt Drozd, Nick Futules, Bob Macey, and Michael Finnerty
Absent: Jim Burn, Joan Cleary, John DeFazio, Amanda Green Hawkins, and Jan Rea
Non-Member: Rich Fitzgerald, William Russell Robinson, and Vince Gastgeb

III. Approval of Minutes

5176-09 Motion to approve the minutes of the September 17, 2009 Economic Development & Housing Committee Meeting.

Action: **A motion was made by Macey, seconded by Chair Finnerty, that this matter be Passed. The motion carried unanimously.**

IV. Agenda Items

Ordinance

5154-09 An Ordinance approving the sale of certain real property owned by the County of Allegheny, Pennsylvania to a development group comprised of: Massaro Properties LLC; Langholz Wilson Ellis, Inc.; Kratsa Properties; and Tasso Katselas Associates, Inc. for the sale price of \$4,900,000.00 for the purpose of demolishing the current building located thereon and constructing a new development including a hotel, office building, and parking garage.

Sponsors: Chief Executive

Summary: *The Chair read the title.*

Mr. Macey expressed support for the bill and made a motion to approve, which was seconded by the Chair.

Mr. Robinson distributed an amendment to the bill. He expressed a desire to offer the amendment prior to the final vote on the bill, but noted that not enough Committee Members were present to accomplish the amendment of the bill at this committee session.

Mr. Robinson and the Chair discussed the provisions of the amendment.

In response to a question from Mr. Gastgeb, Mr. Robinson discussed the reasoning behind the amendment.

On behalf of Mr. McCullough, Mr. Gastgeb raised the prospect of the Health Department relocating to the UPMC Braddock hospital facility as a means of increasing the usage of the hospital facility, and the Chair discussed his understanding of the Health Department's wishes with regard to relocation.

The Chair brought Mr. Davin to the table, and he discussed Mr. Gastgeb's suggestion. He then discussed Mr. Robinson's proposed amendment.

Mr. Drozd expressed concerns about the return to the County on the property in the form of future tax revenues and the potential expenditures that would be occasioned by the sale of the Health Department building.

The Chair suggested a change to the amendment, and Mr. Robinson agreed to introduce it in that form.

The Chair raised the issue of the potential re-sale of the property to an entity that would render it tax-exempt, and raised the possibility of giving the County the right of first refusal in the event that the Development Group opt to sell the property. The Chair expressed general support for the bill.

Mr. Davin noted that there had been prior discussion of a potential PILOT in the by the Development Group in the event that the Development Group opt to see the property, and described some of the issues that surround such an arrangement.

Mr. Wilson discussed the development plan and the need to tear down the ACHD facility immediately upon starting the project.

In response to a question from the Chair, Mr. Davin addressed the time frame during which the ACHD would need to find a different facility.

Mr. Futules described a potential conflict of interest and noted that he would be abstaining from voting.

Mr. Fitzgerald expressed support for the project and for the altered Robinson Amendment.

The Chair asked that Mr. Davin provide a copy of the completed contract when it is executed, and Mr. Davin indicated that it would not be a problem to do so.

Action: **A motion was made by Macey, seconded by Chair Finnerty, that this matter be Affirmatively Recommended. The motion carried by the following vote:**

Votes: Yes: 2 - Macey and Finnerty
Abstain: 1 - Futules
Absent: 5 - Burn, Cleary, DeFazio, Green Hawkins and Rea
Not present: 1 - Drozd

V. Adjournment

Summary: *The meeting adjourned at 5:47.*