

Allegheny County Council

*County of Allegheny
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Committee Meeting Minutes

Tuesday, March 24, 2009

4:00 PM

Conference Room 1

Committee on Budget and Finance

William Russell Robinson, Chair; Jim Burn, Joan Cleary, John DeFazio, Matt Drozd, Mike Finnerty, Vince Gastgeb, Amanda Green, Bob Macey, and Chuck McCullough - Members

I. Call to Order

Summary: *The meeting was called to order at 4:00 p.m.*

Invited Guests:

Jim Flynn, County Manager or Designee
Amy Griser, Director of Budget & Finance
Michael Wojcik, Allegheny County Solicitor
Dennis Davin, Director, Economic Development
Derek Uber, Deputy County Manager

Summary: *Invited Guests Present: Jim Flynn, County Manager; Derek Uber, Deputy County Manager; Amy Griser, Director of Budget & Finance; Michael Wojcik, Allegheny County Solicitor*

Recognized Attendees: Cassandra Collinge, Economic Development; Nathan Wetzel, Economic Development; Donna Joyce, Economic Development

Council Staff Present: Jennifer Liptak; Jared Barker; Joe Catanese; Stephanie Buka

II. Roll Call

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

III. Approval of Minutes

4731-09 Motion to approve the Minutes of the February 24 & March 10, 2009 Budget & Finance Committee Meetings.

Action: **A motion was made by Finnerty, seconded by Macey, that this matter be Passed Council Members Cleary, Green and McCullough abstained from voting on the March 10, 2009 Budget & Finance Committee Meeting Minutes. The motion carried unanimously.**

Roll Call: Present: Jim Burn, Joan Cleary, John DeFazio, Matt Drozd, Michael Finnerty, Vince Gastgeb, Amanda Green Hawkins, Bob Macey, Chuck McCullough, and William Russell Robinson

IV. Agenda Items**Ordinance**

4630-09 An Ordinance of the County of Allegheny, Commonwealth of Pennsylvania, requiring and authorizing a review of the Allegheny County Clerk of Courts, Prothonotary, Register of Wills and Recorder of Deeds, as well as the former Offices of the Jury Commissioners and Coroner under the terms of Chapter 225 of the Allegheny County Code of Ordinances and Article 1201 of the Administrative Code of Allegheny County.

Sponsors: William Russell Robinson

Action: Held in Committee

Resolution

4699-09

A Resolution of the County of Allegheny amending the Grants and Special Accounts Budget for 2009 (Submission #05-09).

Sponsors: Chief Executive

Summary: *Ms. Liptak said this amendment involves the Drug Court Program, Dollar Energy Fund, an Aging/MR County Initiative, Childhood Lead Program, and \$23 million for the Neighborhood Stabilization Program.*

Ms. Collinge explained to Council Members that the County did receive \$5.5 million from HUD for the Neighborhood Stabilization Program. Now the County is requesting \$23 million from the Pennsylvania Department of Community and Economic Development. She said the funding decision should be known by the end of this month, but they don't expect to receive their full request of \$23 million. She said the program will help areas within the County that are experiencing foreclosures and home abandonment. The funds will be used to purchase or develop foreclosed and abandoned homes, or to demolish blighted properties.

Councilwoman Green questioned why the City of Pittsburgh was included in the project, since the program excludes projects in the City of Pittsburgh. Ms. Collinge said the Pennsylvania DCED gave the County a special exception and they were permitted to apply for the Residences at Wood Street, formerly known as Wood Street Commons.

Chairman Robinson said they were unaware that \$5.5 million was received by the County and requested notification be made to Council Members, prior to the media being informed.

Ms. Collinge said they're in the process of mapping all of the housing projects and once the final maps are complete, she said they will make those available to Council Members, in addition to the list of projects.

Councilwoman Cleary asked how demolition fit into the program. Ms. Collinge replied that category 3 is tear down, but also included is rehab, buying foreclosures, and a significant amount of money will be put towards redevelopment.

Councilwoman Cleary asked if Clairton had submitted an application, and Mr. Wetzel said they are part of the Steel Valley COG and they did not submit an application to the County.

Councilman Finnerty said the program also would provide land-banking opportunities. Ms. Collinge said the County did not receive any applications for such land use. Ms. Collinge explained that land-banking is an eligible activity, in which the land is held but must be used within a 10 year time frame.

Councilman Gastgeb asked Ms. Collinge about the criteria. Ms. Collinge replied that the census tract must be below 50% of median income.

Councilman Gastgeb asked whether revenue from gaming that RAAC will receive could be used instead, with the intent to free up this money from the state. Chairman Robinson said they are only considering the \$23 million for this program, and if they decide to look at the RAAC slots revenue, they will need to invite others to the table to discuss. Councilman Gastgeb asked how this will impact the budget and Chairman Robinson said this funding is a unique opportunity and arrived outside of what they normally anticipate.

Councilman Gastgeb asked whether or not the Economic Development Department felt comfortable, insofar as all of the County's municipalities were made aware of this opportunity. Ms. Collinge said yes, they sent letters to every municipal manager and held a Power Point presentation to explain the program. As a result, 70-80 applications were made.

Councilman Gastgeb asked what the deadline for municipalities was and Ms. Collinge said January 9, 2009. He asked whether program information was sent to the school districts and Ms. Collinge replied, no, that is not a standard procedure.

Councilman Finnerty explained that these projects were prioritized and the County looked at the areas in most need. As Chairman of the Economic Development & Housing Committee, he said information was submitted to Council Members in December regarding the Neighborhood Stabilization Program, and Ms. Liptak said she would resend the e-mail.

Chairman Robinson commented that Councilman Gastgeb raised a valid point, by questioning whether or not a portion of funds could be withheld by the County and a portion provided to Economic Development. The Chairman said he wanted Council Members to be prepared for the possibility of an amendment.

Councilman Finnerty asked Ms. Collinge how withholding a portion of the funding would impact the projects. Ms. Collinge said the state requires a quick turnaround with contracts, oftentimes just two days. If they don't execute the contract in a timely manner, the County would lose the funding.

Councilman Macey said he would like to see this legislation move forward.

Councilman McCullough asked Ms. Collinge when the County's application to the state was made and she responded February 9, 2009. He commented that Council Members should have had the opportunity to review the application beforehand and this would have eliminated such a problem. Chairman Robinson said perhaps there is a way to view this information ahead of time, but from a legal standpoint, the County Solicitor would, in all likelihood, say that would be interfering with the Administration's domain. Councilman McCullough recommended making a negotiated arrangement with the Administration.

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

Enactment No: 07-09-RE

Discussion Topic:

1. Act 44 Funding Consent Decree

Summary: *Chairman Robinson asked Solicitor Wojcik to comment on the Consent Decree.*

Mr. Wojcik said he represented the County, both Council and the Administration, in a lawsuit filed by F.A.C.T. and Councilman McCullough against the County to prevent approximately \$12 million dollars, monies the County collected in excess from the drink tax, from being used for infrastructure projects. Judge Olson ruled that the County cannot use the \$12 million for projects, such as, bridges and roads, and said those funds could be used as a local match and any debt service directly or indirectly related to the Port Authority. The Administration decided not to appeal and a Consent Decree was entered into and ordered by Judge Olson.

Chairman Robinson asked when the document would be available to the public and Mr. Wojcik responded that it is available to the public now.

Chairman Robinson asked Mr. Wojcik if he is a signator on the Consent Decree, and Mr. Wojcik said yes, along with Judge Olson, Ron Barber, who represents F.A.C.T., John Graf, and Councilman McCullough.

V. Adjournment

Summary: *The meeting adjourned at 5:00 p.m.*